



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

Third Taxing District of the City of Norwalk Commission Meeting

Monday, April 1, 2019 at 7:00p.m.

At the Third Taxing District Office, 2 Second Street, East Norwalk, CT

1. Public Comment – 15 Minute Limit
2. Norwalk Tree Alliance Donation Request – A/R (Pgs. 1-2)
3. Minutes of Meeting – March 4, 2019 Regular Meeting (Pgs. 3-8) and March 20, 2019 Special Meeting (Pgs. 9-11) – A/R
4. Discussion/Analysis of Financial Statements/Key Performance Indicators (Pgs. 12-18)
5. Line of Credit Renewal – A/R (Pgs. 19-39)
6. Engagement Letter – FYE 6/30/19 Audit – A/R (Pgs. 40-46)
7. Discussion of Treasurer Position (Pgs. 47-50)
8. CMEEC Update (Commissioner Goldstein) (Pgs. 51-57)
9. General Manager's Report
10. Project Summary (Pgs. 58-66)
11. Adjourn

*A/R – Action Required/See Attached Motion

Agenda backup material is available at the TTD office, www.ttd.gov and will be available at the meeting.

M:\Shared\ Commission Meeting Information\Agenda 4-1-19.doc

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Debora Goldstein	203-252-7214	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Pamela Parkington	203-858-4261	Commissioner			Treasurer



Third Taxing District
 2 Second Street
 East Norwalk, CT 06855
 Tel: (203) 866-9271
 Fax: (203) 866-9856

Third Taxing District Application for Contribution from District Funds

This completed application will be reviewed for eligibility by District Staff and for approval by the Third Taxing District Commission. All information will be subject to review and dissemination under the state's FOI regulations for public records.

Overview

- District funds are maintained from the proceeds (when available) of the Third Taxing District Electric Department under a budget that is approved by the electors of the District at the annual meeting.
- Distributions from the District funds are intended to primarily benefit residents, businesses and rate-payers of the Third Taxing District.
- District funds are not intended to help with individual financial hardship requests, except as administered through a designated agency funded for that purpose.
- Decisions regarding fund disbursements are dependent upon timely, properly documented requests that meet the requirements of the "Third Taxing District Policy on Contributions from District Funds" and any applicable governing documents.
- All determinations made by the Commission shall be final and binding, and shall be made by the Commission in its sole discretion.

Full Name: <i>ANDREW STRAUSS</i>	Date of Application: <i>03.11.19</i>
Legal Address: <i>FODOR FARM 328 FLAX HILL RD NORWALK CT 06854</i>	Needed by:
Organization: <i>NORWALK TREE ALLIANCE</i>	Preferred Phone#: <i>917 862 4507</i>
Amount Requested: <i>\$2500.</i>	Preferred Email: <i>straussa99@gmail.com</i>

Describe in detail your reason(s) for this request.

Norwalk Tree Alliance propose to continue the tree planting program ~~in~~ at residential locations exclusively in East Norwalk, at no cost to homeowners. With the grant funds requested, approximately 12 trees will be planted for 2019-20.

Attestation (check boxes)

Qualified

I attest that my organization meets the stated requirements for a contribution from District funds and that this request is made to primarily benefit residents, businesses or rate-payers of the District.

No Conflict

I attest that neither my organization, nor any individual associated with this request, represents a conflict of interest for any of the Commissioners, the Treasurer, the District Clerk or any of the employees of the Electric Department.

Should your request be approved, will you consent to be publicized? Y N

By signing below, I verify that I understand the purpose of the Third Taxing District Funds and the requirements for contributions from these funds. I verify that the information provided in this application is true to the best of my knowledge.

Signature of authorized representative:

Strauss, NTA President

Date:

03.11.19

** COMMISSIONER _____ MOVED TO ACCEPT THE NORWALK TREE ALLIANCE DONATION REQUEST IN THE AMOUNT OF \$2,500 TO BE FUNDED OUT OF OTHER DISTRICT SERVICES IN THE DISTRICT BUDGET AND WILL BE AWARDED AFTER JULY 1, 2019.

** COMMISSIONER _____ SECONDED.

DRAFT

THIRD TAXING DISTRICT
of the City of Norwalk
Commission Meeting
March 4, 2019

ATTENDANCE: Commissioners: Johnnie Mae Weldon, Chair; Debora Goldstein;
Pamela Parkington

STAFF: Kevin Barber, General Manager; Ron Scofield, Asst. General Mgr.

OTHERS: Peter Johnson, CMEEC Ratepayer Representative
Sue Gabriele, Animal Nation
Atty. Chris Hodgson, Berchem Moses

CALL TO ORDER

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

PUBLIC COMMENT

No one from the public was in attendance to comment.

NORWALK TREE ALLIANCE LETTER OF SUPPORT

Mr. Barber told the Commission that the Norwalk Tree Alliance (NTA) has requested a letter of reference from TTD. They are seeking a grant from the Westport Rotary Club for an upcoming project with Columbus Magnet School. TTD has supported the NTA over the past three years with District funds for the purchase and planting of trees throughout East Norwalk. Mr. Barber has reviewed the draft letter submitted by Mr. Andrew Strauss and has no objections.

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE LETTER AND
AUTHORIZE JOHNNIE MAE WELDON, CHAIRPERSON, TO BE THE SIGNATORY
OF THE LETTER.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Third Taxing District
of the City of Norwalk
March 4, 2019

ANIMAL NATION DONATION REQUEST

Commissioner Goldstein pointed out for the second year running that this request violates TTD's Contribution Policy. One, they are making an attestation that the funds are primarily for the benefit of the residents and businesses of the District and it is not. Some of the monies fund Westport and other things. Second, TTD's policy says we don't give money to any organizations who give money to other organizations and for the first time it is very clear in the documentation that this organization gives money to other organizations. For those reasons for a second year in a row Commissioner Goldstein will be voting against this request.

Commissioners Weldon and Parkington were in favor of granting the donation request. Commissioner Parkington stated that it does fall outside of TTD's Donation Policy, but if this is for the greater good of the Norwalk area, she is in favor.

**** COMMISSIONER PARKINGTON MOVED TO APPROVE THE DONATION REQUEST IN THE AMOUNT OF \$500 (POINTER) ON THE FUNDRAISING SCHEDULE FOR THE NORWALK/FAIRFIELD POLICE CANINE UNITS FUNDRAISER FOR 2019 WHICH WILL BE HELD ON MAY 4, 2019.**

**** COMMISSIONER WELDON SECONDED.**

**** 2 IN FAVOR; 1 OPPOSED.**

**** THE MOTION PASSED 2 TO 1.**

MINUTES OF MEETING

February 25, 2019

**** COMMISSIONER PARKINGTON MOVED TO APPROVE THE MINUTES OF FEBRUARY 25, 2019 REGULAR MEETING.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS/KEY PERFORMANCE INDICATORS

Mr. Barber started with the Financial Highlights and informed the Commission that he made a few minor changes to the report to try and provide better information. Besides the format being changed, a Cash Balance Total has been added, which are funds that are local, not at CMEEC.

Mr. Barber reviewed the P&L Budget vs. Actual for both the Electric Company and the District and reviewed some of the major line items.

KPI's – All in line with the industry bandwidth.

Third Taxing District
of the City of Norwalk
March 4, 2019

DRAFT

PCA – Heading in the right direction with the Rate Stabilization balance. It is forecasted by the end of FY2021 to be about \$2.5 million. The target of reducing the balance is headed in the right direction, but is always subject to change based on the effects of the market, power costs and/or what is decided to do in the future with rates.

PENSION COMMITTEE REPORT

Mr. Barber said the Pension Committee met on February 20, 2019 with Hooker & Holcombe to review the status of the Pension Trust and how it is performing. The market at the end of last year was hard, but it did pick up in January and February 2019, which is a favorable outlook for 2019.

The next meeting of the Pension Committee will be scheduled for August 2019.

TOD OVERSIGHT COMMITTEE UPDATE

Commissioner Goldstein reported back to the Commission about the meeting held on February 5, 2019 of the TOD Oversight Committee that she was appointed to by the Commission. The meeting included the Oversight Committee and the consultants that were retained by the Oversight Committee. The purpose of the meeting was to start framing out the engagement according to the Agreement. Commissioner Goldstein provided the Commission with the handouts from the meeting in their packet.

Prior to the start of the February 5, 2019 meeting around 3:30 p.m., some members of the Committee convened in the parking lot of City Hall. Steve Kleppin obtained a shuttle bus from the City and took the consultants and members of the Committee around East Norwalk so they could examine the physical infrastructure.

Commissioner Goldstein said they talked about the first Community Vision Session which is scheduled for the not too distant future. Commissioner Goldstein will notify the Commission of the scheduled date for the session.

Commissioner Goldstein said the consultant appears to be pretty good. The Committee is encouraged by their willingness to listen.

GENERAL MANAGER'S REPORT

Library – The Fire Marshall paid a visit to the Library and found some issues in the building that will need to be addressed. There will be some items that will incur expenses in order to make the necessary repairs requested by the Fire Marshall. Mr. Barber, Ms. Archibald and the Fire Marshall will be meeting to discuss.

Third Taxing District
of the City of Norwalk
March 4, 2019

DRAFT

Annual Meeting – In the process of finalizing the preparation for the meeting.

3/3/19 Winter Storm – There were two issues. One was a transformer issue that affected five customers for about 30 minutes. The second one was a tree fell onto a primary line. This was a 20-minute outage for about 12 customers.

3/5/19 Public Hearing – Commissioner Goldstein will be attending and testifying at the Energy and Technology Committee Public Hearing in Hartford regarding some legislation that is being proposed that will affect CMEEC and also the District and the utilities. The legislation is a result of the CMEEC issues that have been brought up to the Commission in the past.

PROJECT SUMMARY

As the Project Summary was tabled from the February 11, 2019 Commission meeting, this month's report covers two months.

Rowan Street Building – The steel for the building has been delivered. Construction will begin once the weather improves in order to avoid added expense for concrete during the winter months.

Library Solar & Battery Install – Is up and running and is doing very well. Residents can visit the Library and view the kiosk monitor to see what is being generated through the solar.

EXECUTIVE SESSION

- Collective Bargaining

**** COMMISSIONER GOLDSTEIN MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS COLLECTIVE BARGAINING.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Messrs Barber and Scofield, and Atty. Hodgson entered into Executive Session at 7:49 p.m.

The Commissioners, Messrs. Barber and Scofield, and Atty. Hodgson returned to public session at 8:44 p.m.

Third Taxing District
of the City of Norwalk
March 4, 2019

DRAFT

ADJOURNMENT

**** COMMISSIONER GOLDSTEIN MOVED TO ADJOURN.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:45 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

Third Taxing District
of the City of Norwalk
March 4, 2019

MOTION FOR MINUTES

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) REGULAR MEETING.

OR

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) REGULAR MEETING AS CORRECTED.

DRAFT

THIRD TAXING DISTRICT
of the City of Norwalk
Special Commission Meeting
March 20, 2019

ATTENDANCE: Commissioners: Johnnie Mae Weldon, Chair; Debora Goldstein;
Pamela Parkington

STAFF: Kevin Barber, General Manager; Ron Scofield, Asst. General Manager

OTHERS: Peter Johnson, CMEEC Ratepayer Representative

PUBLIC: Jim Anderson

CALL TO ORDER

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

PUBLIC COMMENT

No one from the public was in attendance to comment.

EAST AVENUE DESIGN PROJECT

Mr. Barber reviewed the email from Mayor Rilling to the Commission dated March 15, 2019 with regard to the East Avenue Design Project, which includes undergrounding of the utilities. The City of Norwalk is asking Third Taxing District to work with them on a design for the East Avenue undergrounding, as the City has now indicated that the 90% plans for the Walk Bridge Program are due by May 4, 2019 for distribution in June.

In Mayor Rilling's email, it states that the City of Norwalk would not commit the Third Taxing District to anything as the City will pay for the design. Once designed, Third Taxing District can then decide whether or not to move forward with implementing it. If the undergrounding is not possible, the road widening will require the poles to be moved. If the District makes the decision to underground their wires, a new street light design will need to be undertaken for East Avenue.

Mayor Rilling's email also mentioned that Third Taxing District has indicated that they would like to "monetize" 215 East Avenue which the City feels is an ideal location to realign the railroad station driveway with the Fort Point Street intersection.

Third Taxing District
of the City of Norwalk
March 20, 2019

DRAFT

Mayor Rilling is requesting to work with Mr. Barber and appropriate Third Taxing District staff to complete the design work, but understands Mr. Barber would need the approval of the Commission before moving forward with any work.

The Commission would like to meet with Mayor Rilling and his team to discuss these matters in more detail before making any type of a decision. In advance of any meeting with the City of Norwalk, the Commission would like to obtain copies of the following documents to review:

- Executed Copy of the Master Municipal Agreement for Rights of Way Projects
- Executed Copy of the Master Municipal Agreement for Preliminary Engineering Projects
- Executed Copy of the Master Municipal Agreement for Construction
- Copies of the Minutes, Presentations and related material from the East Avenue Design Committee

The Commission has asked Mr. Barber to contact Mayor Rilling and set up a meeting between the City of Norwalk and Third Taxing District's Commission and staff.

The Commission is also asking that legal counsel review the above Master Municipal Agreements and Third Taxing District's Executed Master Agreement For Readjustment, Relocation and/or Removal of Municipal Facilities on Highway Projects.

The Commission asked Mr. Barber to put together a small report indicating statistics, i.e., cost to maintain, lifespan, outages, etc. for the proposed undergrounding on East Avenue.

ADJOURNMENT

**** COMMISSIONER GOLDSTEIN MOVED TO ADJOURN.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 6:56 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

Third Taxing District
of the City of Norwalk
March 20, 2019

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) SPECIAL COMMISSION MEETING.

OR

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) SPECIAL COMMISSION MEETING AS CORRECTED.

**Third Taxing District
Financial Highlights
Jul-Feb-2019 vs. Jul-Feb 2018**

	Jul-Feb-19	Jul-Feb-18	\$ Change	% Change
Total Income	\$6,886,310.31	\$6,971,775.75	(\$85,465.44)	-1.23%
Total Expense	\$6,639,933.50	\$6,646,930.12	(\$6,996.62)	-0.11%
Net Ordinary Income	\$246,376.81	\$324,845.63	(\$78,468.82)	-24%
Other Income	\$712,547.54	\$900,109.41	(\$187,561.87)	-21%
Other Expense	\$0.00	\$20,000.00	(\$20,000.00)	0%
Net Income before Rate Stabilization	\$958,924.35	\$1,204,955.04	(\$246,030.69)	-20%
Rate Stabilization	(\$206,956.27)	(\$43,448.22)	(\$163,508.05)	-376%
Net Income	\$751,968.08	\$1,161,506.82	(\$409,538.74)	-35%

Cash Balances FY 06/30/2019

	Feb-19
Accounts	
Operating Accounts	2,451,339
Savings	1,291,332
Capital Improvements Fund	2,050,579
Total Cash	5,793,250

TTD Outstanding Principal Balance with CMEEC

Balance as of July 1, 2018	3,161,286
Current Balance	3,530,380 *

Capital Additions

Current Fiscal Year	803,235
---------------------	---------

* - Note: Increase in outstanding principal obligation is due to re-allocation of Wallingford Electric's ownership in Microgen project.

**Third Taxing District - ELECTRIC
Profit Loss Budget vs. Actual
July 2018 through February 2019**

	Current Month				Year To Date			
	Feb 19	Budget	\$ Over Budget	% of Budget	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Budget
	Ordinary Income/Expense							
Income								
443-00 · Cervalls Data Center Revenues	29,355.30	31,146.13	(1,790.83)	-5.75%	250,838.22	185,171.04	65,667.18	35.46%
440-00 · Residential Sales	405,371.96	385,714.18	19,657.78	5.10%	2,768,916.15	2,635,210.27	133,705.88	5.07%
442-01 · Large Commercial Sales	95,381.78	108,535.33	(13,153.55)	-12.12%	687,554.74	731,365.51	(43,810.77)	-5.99%
442-02 · Small Commercial Sales	237,157.66	233,161.86	3,995.80	1.71%	1,848,051.72	1,781,679.88	66,371.84	3.73%
445-01 · Water Pollutn Contri Plnt Sales	96,769.53	91,207.46	5,562.07	6.10%	721,435.21	667,772.12	53,663.09	8.04%
445-02 · Flat Rate	8,381.04	8,390.36	(9.32)	-0.11%	61,735.62	61,589.56	146.06	0.24%
451-00 · Miscellaneous Service Revenue	1,120.00	4,166.67	(3,046.67)	-73.12%	9,031.67	33,333.32	(24,301.65)	-72.90%
557-00 · Purchased Power Adjustment	70,988.10	73,692.72	(2,704.62)	-3.67%	538,746.98	517,660.56	21,086.42	4.07%
Total Income	944,525.37	936,014.71	8,510.66	0.91%	6,886,310.31	6,613,782.26	272,528.05	4.12%
Cost of Goods Sold								
555-00 · Electrical Power Purchased	422,009.50	411,440.00	(10,569.50)	-2.57%	3,681,318.50	3,345,840.00	(335,478.50)	-10.03%
Total COGS	422,009.50	411,440.00	10,569.50	2.57%	3,681,318.50	3,345,840.00	(335,478.50)	-10.03%
Gross Profit	522,515.87	524,574.71	(2,058.84)	-0.39%	3,204,991.81	3,267,942.26	(62,950.45)	-1.93%
Expense								
904-00 · Substation	12,503.17	14,583.33	2,080.16	14.26%	119,999.73	116,666.68	(3,333.05)	-2.86%
403-00 · Depreciation Expense	70,674.83	68,750.00	(1,924.83)	-2.80%	565,398.64	550,000.00	(15,398.64)	-2.80%
408-00 · Taxes	890.01	31,551.25	30,661.24	97.18%	216,589.14	252,410.00	35,820.86	14.19%
540-00 · Other Power Generation Expense	3,867.53	11,500.00	7,632.47	66.37%	77,797.26	92,000.00	14,202.74	15.44%
580-00 · Distribution Expenses	14,534.63	15,500.00	965.37	6.23%	121,993.59	124,000.00	2,006.41	1.62%
590-00 · Maintenance Expenses	35,681.31	50,416.67	14,735.36	29.23%	350,024.43	403,333.32	53,308.89	13.22%
900-00 · Customer Accounts & Service	28,662.25	28,666.67	4.42	0.02%	230,733.45	229,333.32	(1,400.13)	-0.61%
920-00 · Administrative Expenses	138,002.54	183,948.36	45,945.82	24.98%	1,276,078.44	1,471,586.56	195,508.12	13.29%
Total Expense	304,816.27	404,916.28	100,100.01	24.72%	2,958,614.68	3,239,329.88	280,715.20	8.67%
Net Ordinary Income	217,699.60	119,658.43	98,041.17	81.93%	246,377.13	28,612.38	217,764.75	761.09%
Other Income/Expense								
Other Income								
418-00 · Dividends	5,415.12	4,166.67	1,248.45	29.96%	46,207.75	33,333.32	12,874.43	38.62%
419-00 · Interest Income	815.00	625.00	190.00	30.40%	7,716.74	5,000.00	2,716.74	54.33%
420-00 · Gain/(Loss) on Investments	24,533.35	3,750.00	20,783.35	554.22%	12,261.77	30,000.00	(17,738.23)	-59.13%
421-00 · Norden Project Income	56,969.03	39,583.33	17,385.70	43.92%	523,997.63	316,666.68	207,330.95	65.47%
423-00 · Gain/(Loss) from Sale of FA	0.00	583.33	(583.33)	-100.00%	5,117.20	4,666.68	450.52	9.65%
424-00 · Energy Conservation Fund Income	13,655.69	11,844.17	1,811.52	15.29%	96,961.00	94,753.32	2,207.68	2.33%
425-00 · Miscellaneous Income	0.00	0.00	0.00	0.00%	20,285.45	0.00	20,285.45	100.00%
Total Other Income	101,388.19	60,552.50	40,835.69	67.44%	712,547.54	484,420.00	228,127.54	47.09%
Other Expense								
426-30 · PERSON TO PERSON	0.00	20,000.00	20,000.00	1.00%	0.00	20,000.00	20,000.00	100.00%
426-10 · Distribution to "District Fund"	0.00	0.00	0.00	0.00%	234,750.00	234,750.00	0.00	0.00%
990-00 · Miscellaneous items	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
999-00 · Miscellaneous Unknown	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
Total Other Expense	0.00	20,000.00	20,000.00	100.0%	234,750.00	254,750.00	20,000.00	7.85%
Net Other Income	101,388.19	40,552.50	60,835.69	150.02%	477,797.54	229,670.00	248,127.54	108.04%
Net Income	319,087.79	160,210.93	158,876.86	99.17%	724,174.67	258,282.38	465,892.29	180.38%

TTD District Fund
Profit & Loss Budget vs. Actual
July 2018 through February 2019

	Current Month				Year To Date			
	Feb 19	Budget	\$ Over Budget	% of Budget	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense								
Income								
980-02 · INTEREST INCOME	26.00	27.08	(1.08)	-4%	207.21	216.68	(9.47)	-4%
980-05 · FIRE HOUSE RENT	0.00			0%	42,769.00	42,769.00	0.00	0%
980-10 · FUNDING FROM ELECTRIC	0.00	0.00	0.00	0%	234,750.00	234,750.00	0.00	0%
Total Income	26.00	27.08	(1.08)	-4%	277,726.21	277,788.18	(61.97)	0%
Expense								
980-12 · FEES- COMMISSIONERS	0.00	0.00	0.00	0%	11,350.00	10,500.00	(850.00)	-8%
980-14 · FEES-CLERKS	0.00	0.00	0.00	0%	1,800.00	1,800.00	0.00	0%
980-16 · FEES-TREASURER	0.00	0.00	0.00	0%	1,800.00	1,800.00	0.00	0%
980-17 · Fees - Rate Payer Rep	0.00	0.00	0.00	0%	1,800.00	1,800.00	0.00	0%
980-19 · PAYROLL EXPENSES	0.00	0.00	0.00	0%	1,385.00	1,300.00	(85.00)	-7%
980-20 · PARKS MAINTENANCE	268.17	2,666.67	2,398.50	90%	13,785.02	21,333.32	7,548.30	35%
980-30 · EAST NORWALK CEMETERY ASS'N								
980-31 · E. Norwalk Cemetery - Major Cap	0.00	266.67	266.67	100%	0.00	2,133.32	2,133.32	100%
980-30 · EAST NORWALK CEMETERY ASS'N - Other	0.00	1,666.67	1,666.67	100%	14,104.74	13,333.32	(771.42)	-6%
Total 980-30 · EAST NORWALK CEMETERY ASS'N	0.00	1,933.34	1,933.34	100%	14,104.74	15,466.64	1,361.90	9%
980-35 · EAST NORWALK IMP ASSOC LIBRARY								
980-36 · Electric Funding-Library Match	0.00	0.00	0.00	0%	1,753.25	8,625.00	6,871.75	80%
980-38 · LIBRARY PROPERTY MAINTENANCE	126.89	666.67	539.78	81%	4,097.45	5,333.32	1,235.87	23%
980-35 · EAST NORWALK IMP ASSOC LIBRARY - Other	0.00	0.00	0.00	0%	122,175.00	122,175.00	0.00	0%
Total 980-35 · EAST NORWALK IMP ASSOC LIBRARY	126.89	666.67	539.78	81%	128,025.70	136,133.32	8,107.62	6%
980-40 · CHRISTMAS TREE LIGHTING	0.00	0.00	0.00	0%	7,297.12	6,500.00	(797.12)	-12%
980-45 · FIREHOUSE EXPENSES	0.00	0.00	0.00	0%	0.00	0.00	0.00	0%
980-45 · FIREHOUSE EXPENSES - Other	0.00	166.67	166.67	100%	0.00	1,333.32	1,333.32	100%
Total 980-45 · FIREHOUSE EXPENSES	0.00	166.67	166.67	100%	0.00	1,333.32	1,333.32	100%
980-55 · CONCERTS IN THE PARK	0.00	0.00	0.00	0%	29,578.00	30,360.00	782.00	3%
980-70 · ANNUAL MEETING EXPENSES	251.55	0.00	(251.55)	-100%	926.55	0.00	(926.55)	-100%
980-85 · Bank Charges	0.00	0.00	0.00	0%	30.00	0.00	(30.00)	-100%
980-90 · CONTINGENCY EXPENSES	0.00	2,500.00	2,500.00	100%	4,605.00	20,000.00	15,395.00	77%
980-95 · Other District Services	0.00	666.67	666.67	100%	8,400.00	5,333.32	(3,066.68)	-58%
Total Expense	646.61	8,600.02	7,953.41	92%	206,752.13	253,659.92	46,907.79	18%
Net Ordinary Income	(620.61)	(8,572.94)	7,952.33	93%	70,974.08	24,128.26	46,845.82	194%
Net Income	(620.61)	(8,572.94)	7,952.33	93%	70,974.08	24,128.26	46,845.82	194%

THIRD TAXING DISTRICT
KEY PERFORMANCE INDICATORS (KPI'S)

			2019	February 2018	Industry Average (Bandwidth)
1)	<i>OPERATING RATIO</i>	TOTAL OPERATING EXPENSE / TOTAL OPERATING REVENUE	96.42%	95.34%	95-105%
2)	<i>POWER SUPPLY EXPENSE RATIO</i>	TOTAL POWER SUPPLY EXPENSES / TOTAL EXPENSES	55%	59%	65% - 70%
3)	<i>OUTSTANDING RECEIVABLES</i>	TOTAL DOLLAR AMOUNT OF CUSTOMER RECEIVABLES OVER 90 DAYS	\$39,589	\$38,756	
4)	<i>ACTUAL RATE OF RETURN ON RATE BASE</i>	AUTHORIZED BY STATE STATUTE	5.4%	9.0%	Varies by state
5)	<i>ELECTRIC CUSTOMERS PER EMPLOYEE</i>	TOTAL ELECTRIC CUSTOMERS / TOTAL FULL TIME EMPLOYEES	352	348	200 - 500
6)	<i>RATE STABILIZATION</i>	Rate Stabilization Fund Balance	\$ 3,834,345	\$ 3,880,385	Commission Approved Target of \$2.75MM - \$3.0MM
7)	<i>ENERGY LOSS %</i>	TOTAL ENERGY LOSSES/TOTAL SOURCES OF ENERGY	5.95%	5.59%	2.5% - 6%
8)	<i>SYSTEM LOAD FACTOR</i>	TOTAL KWH SALES + TOTAL kwh ENERGY LOSSES/8760/ HIGHEST HOURLY PEAK DEMAND	57.5%	55.2%	50% - 65%

East Norwalk - PCA Calculation

Power Cost Adjustment Calculation
6 Month Rolling Average (starting January 2014)

Yellow indicates Forecast

Orange indicates data is from the preliminary CMEEC monthly bill, numbers will change when the "true up" numbers are available from CMEEC

Green indicates the final numbers have been entered for the month.
Colors will change when actual numbers are received.

		2018 July	2018 August	2018 September	2018 October	2018 November	2018 December	2019 January	2019 February	2019 March	2019 April	2019 May	2019 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
h Grand Total (Actual) Purchased Power Costs	\$	475,283	481,252	402,827	393,201	414,447	507,554	579,929	454,732	477,522	396,859	399,105	389,326
i (Sum of current and previous 5 months)	\$	2,628,785	2,608,433	2,590,790	2,597,989	2,630,123	2,674,565	2,779,211	2,752,690	2,827,385	2,831,042	2,815,700	2,697,472
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,515,187	6,671,090	5,077,866	4,482,969	4,721,969	5,366,968	5,885,811	5,056,505	5,089,225	4,236,322	4,321,654	5,000,975
m (Sum of current and previous 5 months)	kWh	30,166,351	32,055,239	31,966,352	32,039,885	32,417,385	32,836,049	32,206,673	30,592,088	30,603,447	30,356,800	29,956,485	29,590,492
Actual/Forecast Power Costs (\$/kWh)	\$/kWh	0.07295	0.07214	0.07933	0.08771	0.08777	0.09457	0.09853	0.10676	0.09383	0.09368	0.09235	0.07785
n Power (Actual) Supply Costs @ Retail	\$	0.0920	0.0859	0.0856	0.0856	0.0857	0.0860	0.0911	0.0950	0.0976	0.0985	0.0993	0.0963
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0038)	(0.0099)	(0.0102)	(0.0102)	(0.0101)	(0.0098)	(0.0047)	(0.0008)	0.0018	0.0027	0.0035	0.0005
r Actual PCA Implemented	\$	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130
s Total System Retail Sales (kWh's)	kWh	5,592,906	6,079,846	6,365,722	3,916,402	4,499,030	4,547,024	5,393,336	5,491,090	4,804,228	3,999,088	4,079,641	4,720,921
t Base PCA Revenue	\$	535,800	582,449	609,836	375,191	431,007	435,605	516,682	526,046	460,245	383,113	390,830	452,264
u Fuel Factor Revenue	\$	72,708	79,038	82,754	50,913	58,487	59,111	70,113	71,384	62,455	51,988	53,035	61,372
v Total Revenues through PCA	\$	608,508	661,487	692,591	426,105	489,494	494,716	586,795	597,431	522,700	435,101	443,865	513,636
w Difference of Collection vs Expense	\$	5,737,302	5,917,536	6,207,300	6,240,203	6,315,250	6,302,412	6,309,278	6,451,977	6,497,155	6,535,397	6,580,158	6,704,468
Over collect / (Under Collect) in each month		\$133,225.28	\$180,234.81	\$289,763.44	\$32,903.12	\$75,047.24	(\$12,837.96)	\$6,866.01	\$142,699.09	\$45,178.03	\$38,242.09	\$44,760.22	\$124,310.28
RSF Balance at CMEEC		4,050,820.00	4,117,685.00	4,134,657.00	4,059,858.00	4,035,998.00	3,971,519.00	3,884,556.00	3,762,559.00	3,692,175.02	3,634,222.13	3,580,849.71	3,591,601.80
Diff between Billed Rate and Actual Cost	\$	0.00705	0.00786	0.00067	(0.00771)	(0.00777)	(0.01457)	(0.01853)	(0.02676)	(0.01383)	(0.01368)	(0.01235)	0.00215
Affect on RSF - by Month	\$	45,932.07	52,434.77	3,402.17	(34,563.69)	(36,689.70)	(78,196.72)	(109,064.08)	(135,312.07)	(70,383.98)	(57,952.89)	(53,372.42)	10,752.10

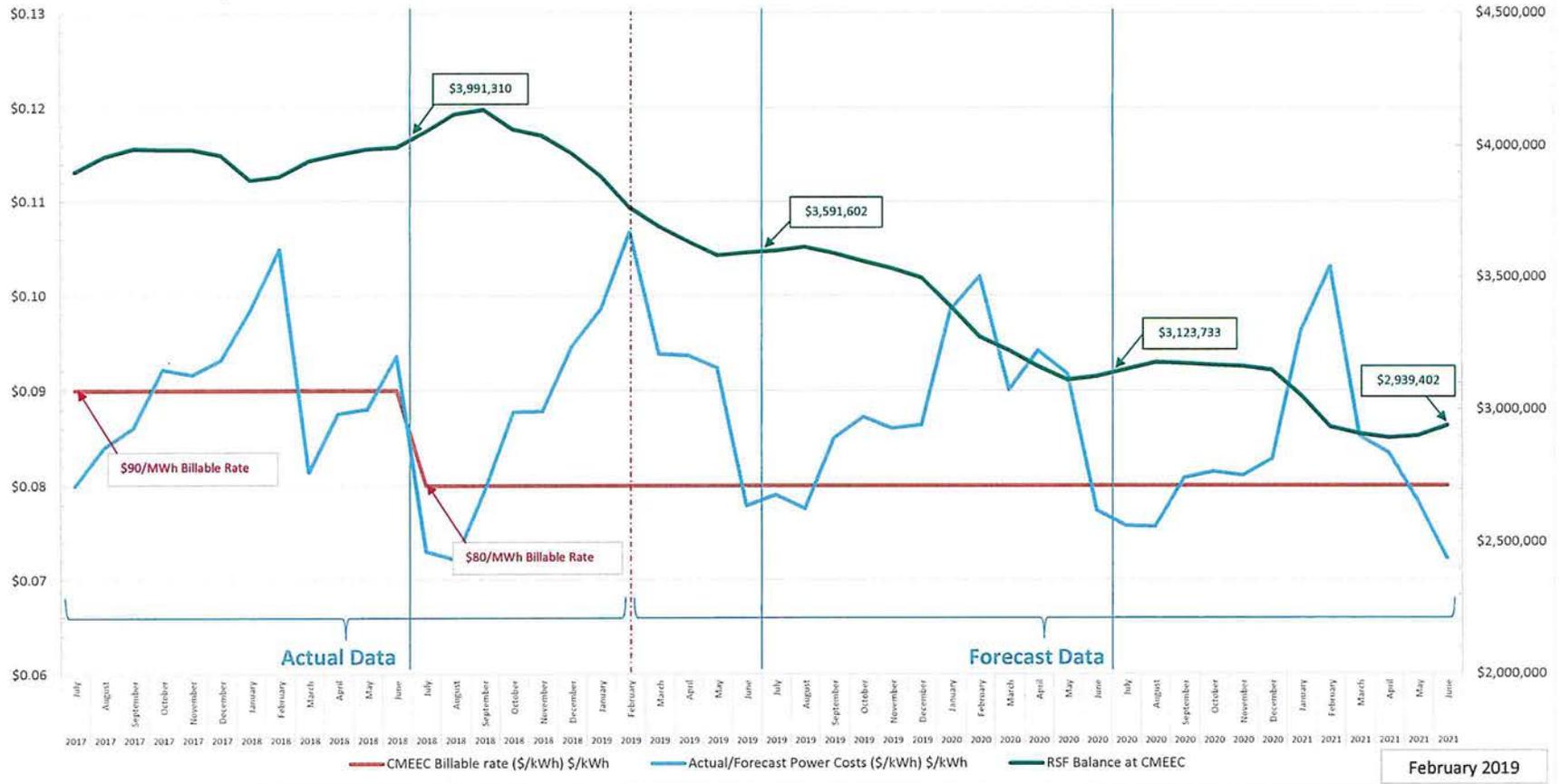
East Norwalk - PCA Calculation

Power Cost Adjustment Calculation

6 Month Rolling Average (starting January 2014)

		2019 July	2019 August	2019 September	2019 October	2019 November	2019 December	2020 January	2020 February	2020 March	2020 April	2020 May	2020 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
Grand Total (Actual) Purchased Power Costs	\$	\$ 499,608	\$ 468,432	\$ 409,663	\$ 365,620	\$ 391,247	\$ 466,473	\$ 574,140	\$ 540,080	\$ 456,810	\$ 397,857	\$ 395,404	\$ 385,891
(Sum of current and previous 5 months)	\$	2,617,151	2,630,851	2,562,992	2,531,754	2,523,896	2,601,043	2,675,574	2,747,223	2,794,369	2,826,606	2,830,764	2,750,181
kWh's Purchased	kWh												
Total Purchased Power kWh Units	kWh	6,324,150	6,039,607	4,820,698	4,191,931	4,548,855	5,400,864	5,830,605	5,292,310	5,072,843	4,223,537	4,309,583	4,986,956
(Sum of current and previous 5 months)	kWh	30,028,831	31,011,933	30,743,406	30,699,015	30,926,216	31,326,105	30,832,560	30,085,264	30,337,409	30,369,014	30,129,742	29,715,834
Actual/Forecast Power Costs (\$/kWh)	\$/kWh	0.079	0.07756	0.08498	0.08722	0.08601	0.08637	0.09847	0.10205	0.09005	0.0942	0.09175	0.07738
Power (Actual) Supply Costs @ Retail	\$	0.0920	0.0896	0.0880	0.0871	0.0862	0.0877	0.0916	0.0964	0.0973	0.0983	0.0992	0.0977
Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
Calculated PCA	\$	(0.0038)	(0.0062)	(0.0078)	(0.0087)	(0.0096)	(0.0081)	(0.0042)	0.0006	0.0015	0.0025	0.0034	0.0019
Actual PCA Implemented	\$	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130
Total System Retail Sales (kWh's)	kWh	5,969,997	5,701,389	4,550,739	3,957,183	4,294,119	5,098,416	5,504,091	4,995,941	4,788,764	3,987,019	4,068,246	4,707,686
Base PCA Revenue	\$	571,926	546,193	435,961	379,098	411,377	488,428	527,292	478,611	458,764	381,956	389,738	450,996
Fuel Factor Revenue	\$	77,610	74,118	59,160	51,443	55,824	66,279	71,553	64,947	62,254	51,831	52,887	61,200
Total Revenues through PCA	\$	649,536	620,311	495,120	430,542	467,200	554,708	598,845	543,558	521,018	433,788	442,625	512,196
Difference of Collection vs Expense	\$	\$ 6,854,396	\$ 7,006,275	\$ 7,091,733	\$ 7,156,654	\$ 7,232,607	\$ 7,320,842	\$ 7,345,547	\$ 7,349,026	\$ 7,413,234	\$ 7,449,164	\$ 7,496,385	\$ 7,622,691
Over collect / (Under Collect) in each month		\$149,927.86	\$151,879.20	\$85,457.49	\$64,921.27	\$75,953.14	\$88,235.00	\$24,705.47	\$3,478.10	\$64,208.01	\$35,930.48	\$47,220.93	\$126,305.60
RSF Balance at CMEEC		3,597,925.95	3,612,662.59	3,588,655.52	3,558,389.77	3,531,051.15	3,496,647.65	3,388,956.38	3,272,260.94	3,221,278.86	3,161,304.64	3,110,667.04	3,123,732.86
Diff between Billed Rate and Actual Cost	\$	0.00100	0.00244	(0.00498)	(0.00722)	(0.00601)	(0.00637)	(0.01847)	(0.02205)	(0.01005)	(0.01420)	(0.01175)	0.00262
Affect on RSF - by Month	\$	6,324.15	14,736.64	(24,007.08)	(30,265.74)	(27,338.62)	(34,403.51)	(107,691.27)	(116,695.45)	(50,982.07)	(59,974.23)	(50,637.60)	13,065.82

Rate Stabilization Balance Forecast





Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271

Fax: (203) 866-9856

Memorandum

To: TTD Commissioners

From: **Kevin Barber – General Manager**

Date: March 26, 2019

Subject: Patriot Bank – Line of Credit - Renewal

In July 2013, TTD established a line of credit (LOC) with Patriot Bank in the amount of \$500,000 for the purpose of having access to funds during the construction of the Fitch Street Substation and Cervalis projects. The original line of credit had an expiration date of July 1, 2016. The LOC has been renewed multiple times with the last renewal occurring in April 2018 with an expiration date of December 31, 2018.

Attached for your review are the following LOC renewal documents:

- Business Loan Agreement
- Commercial Line of Credit Renewal Agreement and Note
- Resolution Government Entity
- Commercial Security Agreement
- Authorization Agreement for Direct Payments

TTD has not utilized this line of credit since July 2015. There is no cost to maintain the line of credit with Patriot Bank and the current interest rate is 5.5%.

I recommend the Commission approve the line of credit in the amount of \$500,000 be extended with Patriot Bank for a period of one year, with an expiration date of January 1, 2020. This will provide TTD with access to funds in case of extenuating or emergency situations.

The following are the two motions made last year authorizing the General Manager to renew the letter of credit and requiring authorization from the Commission before accessing funds from the line of credit.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Debora Goldstein	203-252-7214	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Pamela Parkington	203-858-4261	Commissioner			

Commissioner Goldstein moved that Kevin Barber, General Manager of the Third Taxing District, is hereby authorized to renew for and on behalf of the District a line of credit in the amount of Five Hundred Thousand Dollars (\$500,000) from Patriot Bank on the terms set out in the term revolving promissory note prepared by Patriot Bank and attached to the minutes of the meeting.

Commissioner Parkington moved to further require Kevin Barber, General Manager of the Third Taxing District, before accessing any funds from the line of credit, must receive authorization from the Commission at a duly convened Commission Meeting.

Recommended resolution for renewal of Patriot Bank Line of Credit:

COMMISSIONER _____ MOVES TO AUTHORIZE KEVIN BARBER, GENERAL MANAGER OF THE THIRD TAXING DISTRICT TO RENEW FOR AND ON BEHALF OF THE THIRD TAXING DISTRICT THE LINE OF CREDIT WITH PATRIOT BANK IN THE AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000) ON THE TERMS SET OUT IN THE LOAN DOCUMENTS PREPARED BY PATRIOT BANK AND INCLUDED IN THE MINUTES OF THIS MEETING AND FURTHER REQUIRE KEVIN BARBER, BEFORE ACCESSING ANY FUNDS FROM THE LINE OF CREDIT, MUST RECEIVE AUTHORIZATION FROM THE DISTRICT COMMISSION AT A DULY CONVENEED COMMISSION MEETING.

BUSINESS LOAN AGREEMENT

Patriot Bank, N.A.
900 Bedford Street
Stamford, Connecticut 06901
(203)252-5900

AGREEMENT DATE	LOAN NUMBER	AGREEMENT/ACCOUNT NUMBER
March 28, 2019	890056823	890056823

BORROWER INFORMATION

The Third Taxing District of the City of Norwalk
2 Second St
Norwalk, CT 06855

Type of Entity: Governmental Entity
State of Organization/Formation: Connecticut

AGREEMENT. This Business Loan Agreement will be referred to in this document as the "Agreement." This Agreement is made by Patriot Bank, N.A. (Lender) and The Third Taxing District of the City of Norwalk (Borrower). The consideration is the promises, representations, and warranties made in this Agreement and the Related Documents.

DEFINITIONS. These definitions are used in this Agreement.

"**Collateral**" means the Property that any Party to this Agreement or the Related Documents may pledge, mortgage, or give Lender a security interest in, regardless of where the Property is located and regardless of when it was or will be acquired, together with all replacements, substitutions, proceeds, and products of the Property.

"**Events of Default**" means any of the events described in the "Events of Default" section of this Agreement.

"**Financial Statements**" mean the balance sheets, earnings statements, and other financial information that any Party has, is, or will be giving to Lender.

"**Indebtedness**" means the Loan and all other loans and indebtedness of Borrower to Lender, including but not limited to Lender's payments of insurance or taxes, all amounts Lender pays to protect its interest in the Collateral, overdrafts in deposit accounts with Lender, and all other indebtedness, obligations, and liabilities of Borrower to Lender, whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, joint or several, due or to become due, now existing or hereafter arising.

"**Loan**" means any loan or loans described in the "Identification of Loan" section of this Agreement.

"**Parties**" means all Borrowers, Guarantors, and Hypothecators signing this Agreement.

"**Party**" means any Borrower, Guarantor, or Hypothecator signing this Agreement.

"**Property**" means the Parties' assets, regardless of what kind of assets they are.

"**Related Documents**" means all documents, promissory notes, security agreements, leases, mortgages, construction loan agreements, assignments of leases and rents, guaranties, pledges, and all other documents or agreements executed in connection with this Agreement as such documents may be modified, amended, substituted, or renewed from time to time. The term includes both documents existing at the time of execution of this Agreement and documents executed after the date of this Agreement.

IDENTIFICATION OF LOAN. The following loan and all other indebtedness, obligations, and liabilities of Borrower to Lender, due or to become due, now existing or hereafter arising, as well as any and all amendments, modifications, extensions, and renewals thereof are subject to this Agreement:

- Loan Number 890056823 with a principal amount of \$500,000.00

BORROWER'S REPRESENTATIONS AND WARRANTIES. The statements made in this section will continue and remain in effect until all of the Indebtedness is fully paid to Lender. Each Borrower represents and warrants to Lender the following:

Borrower's Existence and Authority. Each Borrower is duly formed and in good standing under all laws governing the Borrower and the Borrower's business, and each Borrower executing this Agreement has the power and authority to execute this Agreement and the Related Documents and to bind that Borrower to the obligation created in this Agreement and the Related Documents.

Financial Information and Filing. All Financial Statements provided to Lender have been prepared and will continue to be prepared in accordance with generally accepted accounting principles, consistently applied, and fully and fairly present the financial condition of each Borrower, and there has been no material adverse change in Borrower's business, Property, or condition, either financial or otherwise, since the date of Borrower's latest Financial Statements. Each Borrower has filed all federal, state, and local tax returns and other reports and filings required by law to be filed before the date of this Agreement and has paid all taxes, assessments, and other charges that are due and payable prior to the date of this Agreement. Each Borrower has made reasonable provision for these types of payments that are accrued but not yet payable. The Borrower does not know of any deficiency or additional assessment not disclosed in the Borrower's books and records.

All financial statements or records submitted to Lender via electronic means, including, but not limited to, facsimile, open internet communications or other telephonic or electronic methods, including, but not limited to, documents in Tagged Image Format Files ("TIFF") and Portable Document Format ("PDF") shall be treated as originals, and will be fully binding with full legal force and effect. Parties waive any right they may have to object to such treatment. Lender may rely on all such records in good faith as complete and accurate records produced or maintained by or on behalf of the Party submitting such records.



Title and Encumbrances. Borrower has good title to all of the Borrower's assets. All encumbrances on any part of the Property were disclosed to Lender in writing prior to the date of this Agreement.

Compliance with General Law. Each Borrower is in compliance with and will conduct its business and use its assets in compliance with all laws, regulations, ordinances, directives, and orders of any level of governmental authority that has jurisdiction over the Borrower, the Borrower's business, or the Borrower's assets.

Environmental Laws. Each Borrower is in compliance with all applicable laws and rules of federal, state, and local authorities affecting the environment, as all have been or are amended.

No Litigation/No Misrepresentations. There are no existing or pending suits or proceedings before any court, government agency, arbitration panel, administrative tribunal, or other body, or threatened against Borrower that may result in any material adverse change in the Borrower's business, property, or financial condition, and all representations and warranties in this Agreement and the Related Documents are true and correct and no material fact has been omitted.

COVENANTS. On the date of this Agreement and continuing until the Indebtedness is repaid and Borrower's obligations are fully performed, Borrower covenants as follows.

Notices of Claims and Litigation/Notice of Adverse Events. Borrower will promptly notify Lender in writing of all threatened and actual litigation, governmental proceeding, default, and every other occurrence that may have a material adverse effect on Borrower's business, financial condition, or the Property.

EVENTS OF DEFAULT. The occurrence of any of the following events will be an Event of Default.

Noncompliance with Lender Agreements. Default by Borrower under any provision of this Agreement, the Related Documents, or any other agreement with Lender.

False Statements. If a Party made or makes a false or misleading misrepresentation in this Agreement, in the Related Documents, in any supporting material submitted to Lender or to third parties providing reports to Lender, or in Financial Statements given or to be given to Lender.

Material Adverse Change. Any material adverse change in the Borrower's business, financial condition, or the Property has occurred or is imminent; if the full performance of the obligations of any Party is materially impaired; or if the Collateral and its value or Lender's rights with respect thereto are materially impaired in any way. The existence or reasonable likelihood of litigation, governmental proceeding, default, or other event that may materially and adversely affect a Party's business, financial condition, or the Property.

Insolvency or Liquidation. A Party voluntarily suspends transaction of its business or does not generally pay debts as they mature. If a Party has or will make a general assignment for the benefit of creditors or will file, or have filed against it, any petition under federal bankruptcy law or under any other state or federal law providing for the relief of debtors if the resulting proceeding is not discharged within thirty days after filing. If a receiver, trustee, or custodian is or will be appointed for a Party.

Default on Unrelated Debt. If Borrower materially defaults under a provision of an agreement with a third party or if the indebtedness under such an agreement is accelerated.

Judgments or Attachments. If there is entered against a Party a judgment that materially affects the Borrower's business, financial condition, or the Property, or if a tax lien, levy, writ of attachment, garnishment, execution, or similar item is or will be issued against the Collateral or which materially affects Borrower's business, financial condition, or the Property, and which remains unpaid, unstayed on appeal, undischarged, unbonded, or undismissed for thirty days after it was issued.

Collateral Impairment. Lender has a good-faith belief that Lender's rights in the Collateral are or will soon be impaired or that the Collateral itself is or soon will be impaired.

Termination of Existence or Change in Control. If Borrower or Borrower's business is sold or merged or if Borrower or Borrower's business suspends business or ceases to exist.

Insecurity. If Lender has a good-faith belief that any Party is unable or will soon be unable to perform that Party's duties under this Agreement or under the Related Documents.

Death. The death of an individual who is a Party, a partner in a partnership that is a Party, a member in a limited liability company that is a Party, an officer of a corporation that is a Party, or an individual of similar position in any other type of business organization that is a Party.

REMEDIES ON DEFAULT.

Remedies, No Waiver. The remedies provided for in this Agreement, the Related Documents, and by law are cumulative and not exclusive. Lender reserves the right to exercise some, all, or none of its rights and reserves the right to exercise any right at any time that Lender has the right, without regard to how much time has passed since the right arose. Lender may exercise its rights in its sole, absolute discretion.

Acceleration, Setoff. Upon an Event of Default, the Loan and the Indebtedness may, at Lender's sole option, be declared immediately due and payable. Lender may apply the Parties' bank accounts and any other property held by Lender against the Indebtedness.

ATTORNEYS' FEES AND OTHER COSTS. Borrower agrees to pay all of Lender's costs and expenses incurred in connection with the enforcement of this Agreement, including without limitation, reasonable attorneys' fees, to the extent permitted by law.

EXPENSES. The Parties agree to pay all of Lender's reasonable expenses incidental to perfecting Lender's security interests and liens, all insurance premiums, Uniform Commercial Code search fees, and all reasonable fees incurred by Lender for audits, inspection, and copying of the Parties' books and records. The Parties also agree to pay all reasonable costs and expenses of Lender in connection with the enforcement of



**COMMERCIAL LINE OF CREDIT
RENEWAL AGREEMENT AND NOTE
Open End**

**Patriot Bank, N.A.
900 Bedford Street
Stamford, Connecticut 06901
(203)252-5900**

LOAN NUMBER	AGREEMENT DATE	LINE OF CREDIT LIMIT	MATURITY DATE
890056823	March 28, 2019	\$500,000.00	January 1, 2020
LOAN PURPOSE: Renewal of existing working capital Line of Credit.			

BORROWER INFORMATION

The Third Taxing District of the City of Norwalk
2 Second St
Norwalk, CT 06855

LINE OF CREDIT AGREEMENT AND NOTE. This Commercial Line of Credit Agreement and Note will be referred to in this document as the "Agreement."

LENDER. "Lender" means Patriot Bank, N.A. whose address is 900 Bedford Street, Stamford, Connecticut 06901, its successors and assigns.

BORROWER. "Borrower" means each person or legal entity identified above in the BORROWER INFORMATION section who signs this Agreement.

PROMISE TO PAY. For value received, receipt of which is hereby acknowledged, on or before the Maturity Date, the Borrower promises to pay the principal amount of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) or such lesser amount as shall have been advanced by Lender, from time to time, to or on behalf of Borrower under the terms of this Agreement, and all interest on the outstanding principal balance and any other charges, including service charges, to the order of Lender at its office at the address noted above or at such other place as Lender may designate in writing. The Borrower will make all payments in lawful money of the United States of America.

RENEWAL. This Agreement is issued, not as a payment toward, but as a renewal and extension of, the obligations of Borrower to Lender pursuant to that certain Agreement dated May 6, 2013 in the principal amount of \$500,000.00 (together with all prior amendments thereto or restatements thereof "Prior Agreement"). This Agreement shall not be construed as a novation or extinguishment of the unpaid balance due in the sum of \$0.00.

PAYMENT SCHEDULE. This Agreement will be paid according to the following required payment schedule: Beginning on May 1, 2019, monthly payments of accrued and unpaid interest. The unpaid principal balance of this Note, together with all accrued interest and charges owing in connection therewith, shall be due and payable on the Maturity Date. All payments received by the Lender from the Borrower for application to this Agreement may be applied to the Borrower's obligations under this Agreement in such order as determined by the Lender.

INTEREST RATE AND SCHEDULED PAYMENT CHANGES. Interest will begin to accrue on March 28, 2019. The initial variable interest rate on this Agreement will be 5.500% per annum. This interest rate may change on March 29, 2019, and every day thereafter. Each date on which the interest rate may change is called the "Change Date." Beginning with the first Change Date, Lender will calculate the new interest rate based on the Wall Street Journal - Prime in effect on the Change Date (the "Index") plus 0.000 percentage points (the "Margin"). The interest rate will never be less than 5.500%.

If the Index is not available at the time of the Change Date, Lender will choose a new Index which is based on comparable information. The Index is used solely to establish a base from which the actual rate of interest payable under the Agreement will be calculated, and is not a reference to any actual rate of interest charged by any lender to any particular borrower.

Nothing contained herein shall be construed as to require the Borrower to pay interest at a greater rate than the maximum allowed by law. If, however, from any circumstances, Borrower pays interest at a greater rate than the maximum allowed by law, the obligation to be fulfilled will be reduced to an amount computed at the highest rate of interest permissible under applicable law and if, for any reason whatsoever, Lender ever receives interest in an amount which would be deemed unlawful under applicable law, such interest shall be automatically applied to amounts owed, in Lender's sole discretion, or as otherwise allowed by applicable law. An increase in the interest rate will result in a higher payment amount. Interest on this Agreement is calculated on an Actual/360 day basis. This calculation method results in a higher effective interest rate than the numeric interest rate stated in this Agreement.

LATE PAYMENT CHARGE. If any required payment is more than 10 days late, then at Lender's option, Lender will assess a late payment charge of 5.000% of the amount of the regularly scheduled payment then past due, subject to a minimum charge of \$25.00.

LINE OF CREDIT TERMS. At any time prior to the Maturity Date, the Borrower and Lender agree that the Borrower may request an advance under this Agreement up to a maximum amount equal to the Line of Credit Limit if before and after the request:

- The outstanding borrowings under this Agreement are not in excess of the Line of Credit Limit.
- An Event of Default does not exist
- The Lender is not precluded by law from making the advance.
- So long as the commitment of the Lender shall be outstanding and until the payment in full of all Notes outstanding hereunder and the performance of all other obligations of the Borrower hereunder, the Company agrees that, unless the Lender shall otherwise consents in writing the Company will furnish the Lender from time to time, such further information regarding the affairs and financial condition of the Company as the Lender may reasonably request.



The Company shall maintain insurance in responsible companies in such amounts and against such risks as is satisfactory to the Lender, and, in any event, as are ordinarily carried by similar businesses; and, in the case of all policies insuring property in which Lender shall have a security interest of any kind, all such policies shall provide that the proceeds thereof shall be payable to Borrower and Lender, as their respective interests may appear. All said policies or certificates thereof, including all endorsements, shall be deposited with the Lender; and such policies shall contain provisions that no such insurance may be canceled or decreased without ten 10 days prior written notice to Lender. In the event of acquisition of additional insurable Collateral, Borrower shall cause such insurance coverage to be increased or amended in such manner and to such extent as prudent business judgment would dictate. If Borrower shall at any time or times hereafter fail to obtain and/or maintain any of the policies of insurance required herein, or fail to pay any premium in whole or in part relating to such policies, Lender may, but shall not be obligated to, obtain and/or cause to be maintained insurance coverage with respect to the Collateral, including, at Lender's option, the coverage provided by all or any of the policies of Borrower and pay all or any part of the premium therefor, without waiving any default by Borrower, and any sums so disbursed by Lender shall be additional Loans to Borrower by Lender payable on demand. Lender shall have the right to settle and compromise any-and all claims under any of the policies required to be maintained by Borrower hereunder and Borrower hereby appoints Lender as its attorney-in-fact, with power to demand, receive, and receipt for all monies payable thereunder, to execute in the name of Borrower or Lender or both any proof of loss, notice, draft, or other instruments in connection with such policies or any loss thereunder and generally to do and perform any and all acts

Advances.

- Advances under this Agreement may be requested electronically or in writing by the Borrower or by an authorized person.
- The total of any pending advances requested and the unpaid principal amount, at any given time, cannot exceed the Line of Credit Limit.
- All advances made will be charged to a loan account in Borrower's name on Lender's books, and the Lender shall debit such account the amount of each advance made to, and credit to such account the amount of each repayment made by Borrower.

Suspension and Termination. Advances under this Agreement will be available until the earliest of any date or event described below occurs: (a) the Maturity Date, (b) the date the Line of Credit is cancelled by Borrower, or (c) the date the Line of Credit is cancelled by the Lender due to an occurrence of an Event of Default.

SECURITY TO NOTE. Security (the "Collateral") for this Agreement is granted pursuant to the following security document(s):

- Security Agreement dated March 28, 2019 evidencing security interest in Existing UCC filing on all assets of the Borrower and certain inventory, equipment, and property located at 6 Fitch St, Norwalk, CT (sub-station).

RIGHT OF SET-OFF. To the extent permitted by law, Borrower agrees that Lender has the right to set-off any amount due and payable under this Agreement, whether matured or unmatured, against any amount owing by Lender to Borrower including any or all of Borrower's accounts with Lender. This shall include all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. Such right of set-off may be exercised by Lender against Borrower or against any assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor of Borrower, or against anyone else claiming through or against Borrower or such assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor, notwithstanding the fact that such right of set-off has not been exercised by Lender prior to the making, filing or issuance or service upon Lender of, or of notice of, assignment for the benefit of creditors, appointment or application for the appointment of a receiver, or issuance of execution, subpoena or order or warrant. Lender will not be liable for the dishonor of any check when the dishonor occurs because Lender set-off a debt against Borrower's account. Borrower agrees to hold Lender harmless from any claim arising as a result of Lender exercising Lender's right to set-off.

DISHONORED ITEM FEE. If Borrower makes a payment on the loan with a check or preauthorized charge which is later dishonored, a fee in the amount of \$20.00 will be charged.

RELATED DOCUMENTS. The words "Related Documents" mean all promissory notes, security agreements, mortgages, deeds of trust, deeds to secure debt, business loan agreements, construction loan agreements, resolutions, guaranties, environmental agreements, subordination agreements, assignments and any other documents or agreements executed in connection with this Agreement whether now or hereafter existing, including any modifications, extensions, substitutions or renewals of any of the foregoing. The Related Documents are hereby made a part of this Agreement by reference thereto, with the same force and effect as if fully set forth herein.

DEFAULT. Upon the occurrence of any one of the following events (each, an "Event of Default" or "default" or "event of default"), Lender's obligations, if any, to make any advances will, at Lender's option, immediately terminate and Lender, at its option, may declare all indebtedness of Borrower to Lender under this Agreement immediately due and payable without further notice of any kind notwithstanding anything to the contrary in this Agreement or any other agreement: (a) Borrower's failure to make any payment on time or in the amount due; (b) any default by Borrower under the terms of this Agreement or any other Related Documents; (c) any default by Borrower under the terms of any other agreement between Lender and Borrower; (d) the death, dissolution, or termination of existence of Borrower or any guarantor; (e) Borrower is not paying Borrower's debts as such debts become due; (f) the commencement of any proceeding under bankruptcy or insolvency laws by or against Borrower or any guarantor or the appointment of a receiver; (g) any default under the terms of any other indebtedness of Borrower to any other creditor; (h) any writ of attachment, garnishment, execution, tax lien or similar instrument is issued against any collateral securing the loan, if any, or any of Borrower's property or any judgment is entered against Borrower or any guarantor; (i) any part of Borrower's business is sold to or merged with any other business, individual, or entity; (j) any representation or warranty made by Borrower to Lender in any of the Related Documents or any financial statement delivered to Lender proves to have been false in any material respect as of the time when made or



given; (k) if any guarantor, or any other party to any Related Documents in favor of Lender entered into or delivered in connection with this Agreement terminates, attempts to terminate or defaults under any such Related Documents; (l) Lender has deemed itself insecure or there has been a material adverse change of condition of the financial prospects of Borrower or any collateral securing the obligations owing to Lender by Borrower. Upon the occurrence of an event of default, Lender may pursue any remedy available under any Related Document, at law or in equity.

GENERAL WAIVERS. To the extent permitted by law, the Borrower severally waives any required notice of presentment, demand, acceleration, intent to accelerate, protest and any other notice and defense due to extensions of time or other indulgence by Lender or to any substitution or release of collateral. No failure or delay on the part of Lender, and no course of dealing between Borrower and Lender, shall operate as a waiver of such power or right, nor shall any single or partial exercise of any power or right preclude other or further exercise thereof or the exercise of any other power or right.

JOINT AND SEVERAL LIABILITY. If permitted by law, each Borrower executing this Agreement is jointly and severally bound.

SEVERABILITY. If a court of competent jurisdiction determines any term or provision of this Agreement is invalid or prohibited by applicable law, that term or provision will be ineffective to the extent required. Any term or provision that has been determined to be invalid or prohibited will be severed from the rest of this Agreement without invalidating the remainder of either the affected provision or this Agreement.

SURVIVAL. The rights and privileges of the Lender hereunder shall inure to the benefits of its successors and assigns, and this Agreement shall be binding on all heirs, executors, administrators, assigns and successors of Borrower.

ASSIGNABILITY. Lender may assign, pledge or otherwise transfer this Agreement or any of its rights and powers under this Agreement without notice, with all or any of the obligations owing to Lender by Borrower, and in such event the assignee shall have the same rights as if originally named herein in place of Lender. Borrower may not assign this Agreement or any benefit accruing to it hereunder without the express written consent of the Lender.

ORAL AGREEMENTS DISCLAIMER. This Agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

GOVERNING LAW. This Agreement is governed by the laws of the state of Connecticut except to the extent that federal law controls.

HEADING AND GENDER. The headings preceding text in this Agreement are for general convenience in identifying subject matter, but have no limiting impact on the text which follows any particular heading. All words used in this Agreement shall be construed to be of such gender or number as the circumstances require.

ATTORNEYS' FEES AND OTHER COSTS. Borrower agrees to pay all of Lender's costs and expenses in connection with the enforcement of this Agreement including, without limitation, reasonable attorneys' fees, to the extent permitted by law.

ADDITIONAL PROVISIONS. Borrower to maintain operating account with Patriot Bank Auto-Pay Requirements: You agree that as a condition of this loan you will maintain sufficient funds in your DDA Account to allow required payments to be deducted in accordance with the Auto-Pay requirements.

Preferred Rate Feature: Your interest rate will increase by .50% if you do not comply with the Auto-Pay requirements

Preferred Rate Feature: Your interest rate will increase by .50% if you do not comply with the Auto-Pay requirements

Auto-Pay Requirements: You agree that as a condition of this loan you will maintain sufficient funds in your DDA Account to allow required payments to be deducted in accordance with the Auto-Pay requirements.

WAIVER OF JURY TRIAL. All parties to this Agreement hereby knowingly and voluntarily waive, to the fullest extent permitted by law, any right to trial by jury of any dispute, whether in contract, tort, or otherwise, arising out of, in connection with, related to, or incidental to the relationship established between them in this Agreement or any other instrument, document or agreement executed or delivered in connection with this Agreement or the Related Documents.

WAIVER OF PREJUDGMENT REMEDY. Borrower/Pledgor voluntarily and knowingly, hereby waives all rights of notice and hearing in connection with the obtaining by Lender/Beneficiary of any prejudgment remedy, as allowed under Chapter 903A of the Connecticut General Statutes.

RATIFICATION AND CONTINUED VALIDITY. Except for the terms expressly modified by this Agreement, the undersigned Borrowers hereby acknowledge they are still bound by the terms of the instruments and prior modifications, extensions and supplements evidencing the existing debt as if they were fully set forth and repeated in this Agreement and that those terms will continue to bind the Borrowers as provided in this Agreement and those instruments. Consent to this Agreement does not waive the right to strictly enforce any rights under this Agreement or the instruments evidencing the existing debt. Consent to this Agreement does not require the Borrowers to enter into another Agreement like this one in the future. The Borrowers and Lender agree that this Agreement shall not be construed as a novation or extinguishment of the existing debt, but a restatement of the existing debt with modifications.



By signing this Agreement, Borrower acknowledges reading, understanding, and agreeing to all its provisions and receipt hereof.

The Third Taxing District of the City of Norwalk

By: Kevin Barber Date
Its: General Manager

LENDER: Patriot Bank, N.A.

By: Barbara Budnick Date
Its: Senior Vice President

DRAFT



**RESOLUTION
GOVERNMENTAL ENTITY**

**Patriot Bank, N.A.
900 Bedford Street
Stamford, Connecticut 06901
(203)252-5900**

LOAN NUMBER	RESOLUTION DATE	
890056823	March 25, 2019	

GOVERNMENT AGENCY INFORMATION

The Third Taxing District of the City of Norwalk
2 Second St
Norwalk, CT 06855

GUARANTEED BORROWER INFORMATION

The Third Taxing District of the City of Norwalk
2 Second St
Norwalk, CT 06855

By signing below, I certify to Patriot Bank, N.A. ("Lender") that: I am the properly elected or appointed General Manager of The Third Taxing District of the City of Norwalk, which is properly established and existing under the laws of the State of Connecticut; the adoption and execution of this Resolution is permitted and in accordance with law and authority of The Third Taxing District of the City of Norwalk, as in effect as of the date of this Resolution to the Lender; this Resolution was properly adopted at and contained in the minutes of a duly called meeting of The Third Taxing District of the City of Norwalk, on March 25, 2019. The Resolution is still in force and effect and has not been amended or rescinded; the Lender may rely upon our certification as to our authority to adopt and execute this Resolution and to make the representation in this Resolution; provided below are the correct titles and names and the genuine signatures of the persons authorized to exercise the powers provided in the Resolution ("Authorized Signers") and we have the power and authority to make this certification and to execute this Resolution.

IT IS RESOLVED:

The Authorized Signers shall possess the powers indicated as contained in this Resolution. Each power has a designated Authority Code that indicates the powers available to each Authorized Signer.

NAME/TITLE	SIGNATURE	AUTHORITY CODE/LIMITATIONS
Kevin Barber General Manager		L1, L2, L3, L4, L5, L6, L7, L8

BORROW MONEY. [Authority Code - L1] As in their judgment, to borrow from time to time from Lender, on such terms as may be agreed upon between the Governmental Entity and Lender, such sum or sums of money without limitation.

Number of signers required: 1

EXECUTE NOTES. [Authority Code - L2] To execute and deliver to Lender the promissory note(s), or other evidence of credit accommodations of the Governmental Entity, on Lender's forms, at such rates of interest and on such terms as may be agreed upon evidencing the sums of money so borrowed or any indebtedness of the Governmental Entity to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

Number of signers required: 1

GRANT SECURITY. [Authority Code - L3] To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender, as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed including any amendments to or modifications, renewals, and extensions of such promissory notes, or any other or further indebtedness of the Governmental Entity or any third party to Lender at any time owing, however the same may be evidenced, any property now or hereafter belonging to the Governmental Entity or in which the Governmental Entity now or hereafter may have an interest, including without limitation all real property and all personal property (tangible or intangible) of the Governmental Entity. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated, or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated, or encumbered.

Number of signers required: 1

EXECUTE SECURITY DOCUMENTS. [Authority Code - L4] To execute and deliver to Lender the forms of mortgage, deed of trust, pledge, agreement, hypothecation agreement, and other security agreements and financing statements which may be submitted by Lender, and which shall evidence the terms and conditions under and pursuant to which liens and encumbrances, or any of them are



given; and also to execute and deliver to Lender any authorizations and other written instruments, any chattel paper, or any other collateral, of any kind or nature, which they may at their discretion deem reasonably necessary or proper in connection with or pertaining to the giving and perfecting of liens and encumbrances.

Number of signers required: 1

NEGOTIATE ITEMS. [Authority Code - L5] To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Governmental Entity in which the Governmental Entity may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the account of the Governmental Entity with Lender, or to cause such other disposition of the proceeds derived therefrom as they may deem advisable.

Number of signers required: 1

ADVANCE UNDER LINE OF CREDIT. [Authority Code - L6] In the case of lines of credit, to designate additional or alternative individuals as being authorized to request advances thereunder, and in all cases, to perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, (including agreements waiving the right to a trial by jury) as they may in their discretion deem reasonably necessary or proper in order to carry into effect the provisions of these Resolutions. The person indicated herein are currently authorized to request advances and authorize payments under the line of credit until Lender receives written notice or revocation of their authority.

Number of signers required: 1

GUARANTEE INDEBTEDNESS. [Authority Code - L7] To give the guarantee of this Governmental Entity for the debts of the Guaranteed Borrower to Lender, from time to time, on Lender's forms and upon such terms as this Governmental Entity, Guaranteed Borrower, and Lender may deem necessary.

Number of signers required: 1

ENTER INTO LEASE AGREEMENTS. [Authority Code - L8] To enter into any form of personal property or fixture lease with Lender, upon such terms as this Governmental Entity and Lender may agree.

Number of signers required: 1

IT IS FURTHER RESOLVED THAT:

AUTHORIZED SIGNER'S POWERS. Authorized Signers are authorized to make any and all other contracts, agreements, stipulations and orders which the Authorized Signers may deem advisable for the effective exercise of their powers.

SIGNATURES. The Lender shall be indemnified and held harmless by the Governmental Entity for any claims, expenses, damages or attorney fees resulting from the honoring of any signature, authorized by this Resolution, or refusing to honor any signature not so authorized, regardless of whether or not such signature was genuine, if such signature reasonably resembles the specimen provided to the Lender. The Lender shall also be permitted to rely upon non-signature security and verification codes which it provides to or receives from an Authorized Signer and shall be indemnified and held harmless by the Governmental Entity for any claims, expenses, damages or attorney fees resulting from their use.

IMPROPER ENDORSEMENT. Any negotiable instrument, check, draft or order for the payment of moneys not clearly endorsed by the Authorized Signer may be returned to the Governmental Entity by the Lender. The Lender, in its sole discretion, alternatively may endorse on behalf of the Governmental Entity any negotiable instrument, check, draft or order for the payment of money not clearly endorsed in order to facilitate collection. Lender shall have no liability for any delay in the presentment or return of any negotiable instrument, check, draft, or order for the payment of money which is not properly endorsed.

DISPOSITION OF FUNDS. When withdrawal or transfer powers are granted to an Authorized Signer, the Lender is directed and authorized to act upon and honor withdrawal or transfer instructions issued and to honor, pay, transfer from and charge to any depository account(s) of the Governmental Entity, all negotiable instruments, checks, drafts, or orders for the payment of money so drawn when signed consistent with the Resolution without inquiring as to the disposition of the proceeds or the circumstances surrounding the issuance of the negotiable instrument, check or order for the payment of money involved, whether such negotiable instruments, checks, drafts or orders for the payment of money are payable to the order of, or endorsed or negotiated by any Authorized Signer signing them or any Authorized Signer in their individual capacities or not, and whether they are deposited to the individual credit of or tendered in payment of the individual obligation or account of any Authorized Signer signing them or of any other Authorized Signer.

PRIOR ENDORSEMENTS. All negotiable instruments, checks, drafts or orders for the payment of money deposited with prior endorsements are guaranteed by the Governmental Entity.

PRE-RESOLUTION TRANSACTIONS. All actions by Authorized Signers in accordance with this Resolution but before the adoption of this Resolution are approved, ratified, adopted and confirmed by the Governmental Entity.

WARRANTY. The Lender may rely upon the certification as to the authority of the Governmental Entity to execute this Resolution and make the representations in this Resolution.

NOTIFICATION OF CHANGES. The Governmental Entity shall notify Lender in writing at its address shown above in advance of any changes which would affect the validity of any matter certified in this Resolution.

REVOCATION AND MODIFICATION. An act ("Act") to modify, terminate, amend or replace this Resolution will not immediately affect the ability of the Lender to rely upon this Resolution. The Act shall not affect any action by the Lender in reliance on this Resolution before the date the Act becomes effective as set forth in the next sentence. An Act will not become effective until all of the



following occur: (a) Lender receives written notification of the Act in form and substance satisfactory to Lender and (b) the Lender has had a reasonable period of time to act upon such notification. Until the Act is effective, this Resolution shall remain in full force and bind the Governmental Entity, its legal representatives, heirs, successors and assigns.

FACSIMILE SIGNATURES. The Lender shall be entitled to honor and charge the Governmental Entity for all such negotiable instrument, checks, drafts or other orders for payment of money drawn in the name of the Governmental Entity, on its regular accounts, including an order for electronic debit, whether by electronic tape or otherwise, regardless of by whom or by what means facsimile signatures or other non-manual signature (collectively, "Facsimile Signatures") may have been affixed, or electronically communicated, if such Facsimile Signatures resembles the specimens duly certified to or filed with the Lender for any of the named Authorized Signers, regardless of whether any misuse is with or without the negligence of the Governmental Entity. The Governmental Entity agrees that the duty of maintaining the security of any such Facsimile Signatures or device by which it is affixed is solely that of the Governmental Entity.

IN WITNESS WHEREOF, I, Kevin Barber, have hereunto subscribed my name as General Manager of The Third Taxing District of the City of Norwalk and hereby acknowledge that the above Authorized Signer has authority to exercise the powers provided in this Resolution on March 28, 2019.

By: Kevin Barber
Its: General Manager

Date

DRAFT



COMMERCIAL SECURITY AGREEMENT

Patriot Bank, N.A.
900 Bedford Street
Stamford, Connecticut 06901
(203)252-5900

LOAN NUMBER	AGREEMENT DATE	
890056823	March 28, 2019	

BORROWER INFORMATION

The Third Taxing District of the City of Norwalk
2 Second St
Norwalk, CT 06855

COLLATERAL OWNER INFORMATION

The Third Taxing District of the City of Norwalk
2 Second St
Norwalk, CT 06855

AGREEMENT. For purposes of this document, the term "Agreement" is used when reference is made to this Commercial Security Agreement.

LENDER. "Lender" means Patriot Bank, N.A. whose address is 900 Bedford Street, Stamford, Connecticut 06901, its successors and assigns.

DEBTOR. For purposes of this Agreement, "Debtor" refers to any party to this Agreement, whose name and address is recited above, and who executes this Agreement.

SECURITY INTEREST GRANT. Debtor, in consideration of the Obligations to Lender, as defined in the "OBLIGATIONS" provision below, hereby agrees to all of the terms of this Agreement and further hereby specifically grants Lender a continuing security interest in the Collateral as defined in the "DESCRIPTION OF COLLATERAL" provision below. Debtor further grants Lender a security interest in the proceeds of said Collateral; the proceeds of hazard insurance and eminent domain or condemnation awards involving the Collateral; all products of, and accessions to, such Collateral or interests therein; any and all deposits or other sums at any time credited by or due from Lender to Debtor; and any and all instruments, documents, policies, and certificates of insurance, securities, goods, accounts receivable, choses in action, chattel paper, cash, property, and the proceeds thereof (whether or not the same are Collateral or proceeds thereof hereunder), owned by Debtor or in which Debtor has an interest which are now or at any time hereafter in possession or control of Lender, or in transit by mail or carrier to or from Lender, or in possession of any third party acting on Lender's behalf, without regard to whether Lender received the same in pledge, for safekeeping, as agent or otherwise, or whether Lender has conditionally released the same. Debtor's grant of a continuing security interest in the foregoing described Collateral secures to Lender the payment of all loans, advances, and extensions of credit from Lender to Borrower, including all renewals and extensions thereof, and any and all obligations of every kind whatsoever, whether heretofore, now, or hereafter existing or arising between Lender and Borrower and howsoever incurred or evidenced, whether primary, secondary, contingent, or otherwise.

OBLIGATIONS. As used in this Agreement, the term "Obligations" shall mean any and all of Debtor's obligations to Lender, whether they arise under this Agreement or the note, loan agreement, guaranty, or other evidence of debt executed in connection with this Agreement, or under any other mortgage, trust deed, deed of trust, security deed, security agreement, note, lease, instrument, contract, document, or other similar writing heretofore, now, or hereafter executed by the Borrower to Lender, including any renewals, extensions and modifications thereof, and including oral agreements and obligations arising by operation of law. The Obligations shall also include all expenditures that Lender may make under the terms of this Agreement or for the benefit of Borrower or Debtor, all interest, costs, expenses, and attorneys' fees accruing to or incurred by Lender in enforcing the Obligations or in the protection, maintenance, preservation, or liquidation of the Collateral, and any of the foregoing that may arise after the filing of any petition by or against Borrower or Debtor under the Bankruptcy Code, irrespective of whether the obligations do not accrue because of the automatic stay under Bankruptcy Code Section 362 or otherwise.

RELATED DOCUMENTS. The words "Related Documents" mean all promissory notes, security agreements, prior mortgages, prior deeds of trust, prior deeds to secure debt, business loan agreements, construction loan agreements, resolutions, guaranties, environmental agreements, subordination agreements, assignments of leases and rents and any other documents or agreements executed in connection with this Agreement whether now or hereafter existing, including any modifications, extensions, substitutions or renewals of any of the foregoing. The Related Documents are hereby made a part of this Agreement by reference thereto, with the same force and effect as if fully set forth herein.

DESCRIPTION OF COLLATERAL. The collateral covered by this Agreement (the "Collateral") is all of Debtor's assets including, without limitation, documents, documents of title (including, without limitation, warehouse receipts and bills of lading), "As-Extracted Collateral," "Fixtures," "Goods," and all of the Debtor's property described below which the Debtor now owns or may hereafter acquire or create and all proceeds and products thereof, whether tangible or intangible, including proceeds of insurance and which may include, but shall not be limited to, any items listed on any schedule or list attached hereto.

Equipment. "Equipment" shall consist of all goods of the Debtor that are not inventory, farm products, or consumer goods. Equipment includes, but is not limited to, all equipment and fixtures of every nature and description whatsoever, now owned or hereafter acquired by Debtor, wherever located, including all machinery, manufacturing equipment, shop equipment, furnishings, furniture, record keeping equipment, and vehicles, together with all accessions, parts, embedded software, attachments, accessories, tools, and dies, or



appurtenances thereto intended for use in connection therewith, and all substitutions, betterments, and replacements thereof and additions thereto.

Accounts. "Accounts" consist of the Debtor's right to payment of a monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of; (ii) for services rendered or to be rendered; (iii) for a policy of insurance issued or to be issued; (iv) for a secondary obligation incurred or to be incurred; (v) for energy provided or to be provided; (vi) for the use or hire of a vessel under a charter or other contract; (vii) arising out of the use of a credit card or charge card or information contained on or for use with the card; (viii) as winnings in a lottery or other game of chance operated or sponsored by a state, governmental unit of a state, or person licensed or authorized to operate the game by a state or governmental unit of a state; or (ix) for health-care-insurance receivables.

Inventory. "Inventory" consists of all inventory and goods, other than farm products, which (i) are leased by Debtor as lessor, (ii) are held by Debtor for sale or lease or to be furnished under a contract of service, (iii) are furnished by Debtor under a contract of service, or (iv) consist of raw materials, work in process, or materials used or consumed in business.

Instruments. "Instruments" consist of all negotiable instruments and other writings owned or acquired by the Debtor that evidence a right to the payment of a monetary obligation, and are of a type that in the ordinary course of business are transferred by delivery with all necessary endorsements or assignments. Instruments are not themselves security agreements or leases. The term does not include investment property, letters of credit, or writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

General Intangibles. "General Intangibles" shall consist of all personal property now owned or hereafter acquired by the Debtor, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, goods, instruments, investment property, letter of credit rights, letters of credit, money, and oil, gas, or other minerals before extraction. General Intangibles shall also include all payment intangibles now held or hereafter acquired by Debtor and all software now owned or hereafter acquired by Debtor, which is not encompassed by the term "Goods," and all supporting information pertaining or relating thereto. General Intangibles include, but are not limited to, intellectual property, rights that arise under a license of intellectual property, including the right to exploit the intellectual property without liability for infringement, and the right to payment of a loan of funds that is not evidenced by chattel paper or an instrument.

Investment Property. "Investment Property" shall consist of all securities, whether certificated or uncertificated, security entitlements, securities accounts, commodities contracts, and commodities accounts now held or hereafter acquired by the Debtor, together with all contracts, instruments, and general intangibles related thereto and all monies, income, proceeds, and benefits attributable or accruing to said property, including, but not limited to, all stock rights, options, rights to subscribe, dividends, liquidating dividends, stock dividends, dividends paid in stock, new securities, and the properties and benefits to which the Debtor is, or may hereafter become, entitled to receive on account of said property.

Chattel Paper. "Chattel Paper" shall consist of all records now held or hereafter acquired by Debtor that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this paragraph, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term does not include (i) charters or other contracts involving the use or hire of a vessel, or (ii) records that evidence a right to payment arising out of the use of a credit card or charge card of information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper. The definition of chattel paper includes electronic chattel paper. Debtor agrees that it will assist Lender in obtaining control of electronic chattel paper by (i) creating a single authoritative copy of the record(s) existing which is unique and identifiable, (ii) ensuring that the authoritative copy identifies the Lender as the assignee of the record(s), and (iii) ensuring that the authoritative copy is communicated to and maintained by the Lender or its designated custodian. Copies or revisions that add or change an identified assignee of the authoritative copy can be made only with the participation of the Lender. Debtor agrees that each copy or authoritative copy and any copy of a copy shall be readily identifiable as a copy that is not the authoritative copy, and any revision of any authoritative copy is readily identifiable as an authorized or unauthorized revision.

Titled Vehicle. "Titled Vehicle" consists of any and all vehicle(s) and all additions and accessions to the vehicle(s), and any replacements and substitutions of the vehicle(s). It also includes all documents of title related to the vehicle(s) as well as all products, rents, and proceeds of the vehicle(s).

Deposit Accounts. "Deposit Accounts" shall consist of all demand, time, savings, passbook, and similar deposit accounts which are now or are hereafter held by the Debtor in Lender's institution, or maintained in another bank ("Bank") and for which Debtor, Lender and Bank have entered into a duly executed Control Agreement (as used herein, the term "Bank" means an organization that is engaged in the business of banking, and includes banks, savings banks, savings and loan associations, credit unions, and trust companies), unless the deposit is a type of qualifying tax-deferred account as defined in the Internal Revenue Code, as currently in effect and amended from time to time (e.g., Individual Retirement Arrangements, qualified retirement plans, Health Savings Accounts, etc.).

Specific Collateral. "Specific" refers to the specific property, together with all related rights, described below.

SPECIFIC COLLATERAL DESCRIPTION:

WARRANTIES. The Debtor warrants the following: Debtor has or will acquire free and clear title to all of the Collateral, unless otherwise provided herein; the security interest granted to the Lender shall be a first security interest unless the Lender specifically agrees otherwise, and the Debtor will defend same to the Lender against the claims and demands of all persons; the Debtor will fully cooperate in placing, perfecting,



or maintaining Lender's lien or security interest; the Debtor agrees to take whatever actions requested by Lender to perfect and continue Lender's security interest on the Collateral; the Debtor agrees not to allow or permit any lien, security interest, adverse claim, charge, or encumbrance of any kind against the Collateral or any part thereof, without the Lender's prior written consent; all of the Collateral is located in the state of the Debtor's address specified at the beginning of this Agreement, unless otherwise certified to and agreed to by the Lender, or, alternatively, is in possession of the Lender; the Debtor will not remove or change the location of any Collateral without the Lender's prior written consent; the Debtor will use the Collateral only in the conduct of its own business, in a careful and proper manner; the Debtor will not use the Collateral or permit it to be used for any unlawful purpose; except as otherwise provided in this Agreement with respect to inventory, Debtor will not, without the Lender's prior written consent, sell, assign, transfer, lease, charter, encumber, hypothecate, or dispose of the Collateral, or any part thereof, or any interest therein, nor will Debtor offer to sell, assign, transfer, lease, charter, encumber, hypothecate, or dispose of the Collateral, or any part thereof, or any interest therein; the Debtor will not conduct business under any name other than that given at the beginning of this Agreement, nor change, nor reorganize the type of business entity as described, except upon the prior written approval of the Lender, in which event the Debtor agrees to execute any documentation of whatsoever character or nature demanded by the Lender for filing or recording, at the Debtor's expense, before such change occurs; the information regarding Debtor's state of organization or formation as set forth in the Resolution is correct, and Debtor further warrants that Debtor will not change Debtor's state of organization or formation without Lender's prior written consent and will assist Lender with any changes to any documents, filings, or other records resulting or required therefrom; the Debtor will keep all records of account, documents, evidence of title, and all other documentation regarding its business and the Collateral at the address specified at the beginning of this Agreement, unless notice thereof is given to the Lender at least ten (10) days prior to the change of any address for the keeping of such records; the Debtor will, at all times, maintain the Collateral in good condition and repair and will not sell or remove same except as to inventory in the ordinary course of business; the Debtor is a legally created business entity, as described before, and it has the power, and the person signing is duly authorized, to enter into this Agreement; the execution of this Agreement will not create any breach of any provision of the Debtor's organizational documents (Articles of Incorporation and By-Laws if the Debtor is a corporation, Articles of Organization and Operating Agreement if the Debtor is a limited liability company, or Certificate of Limited Partnership (if applicable) or Partnership Agreement if the Debtor is a partnership), or any other agreement to which the Debtor is or may become a party; all financial information and statements delivered by the Debtor to the Lender to obtain loans and extensions of credit are true and correct and are prepared in accordance with generally accepted accounting principles; there has been no material adverse change in the financial condition of the Debtor since it last submitted any financial information to the Lender; there are no actions or proceedings, including set-off or counterclaim, which are threatened or pending against the Debtor which may result in any material adverse change in the Debtor's financial condition or which might materially affect any of the Debtor's assets; and the Debtor has duly filed all federal, state, municipal, and other governmental tax returns, and has obtained all licenses, permits, and the like which the Debtor is required by law to file or obtain, and all such taxes and fees for such licenses and permits required to be paid, have been paid in full.

INSURANCE. The Debtor agrees that it will, at its own expense, fully insure the Collateral against all loss or damage for any risk of whatsoever nature in such amounts, with such companies, and under such policies as shall be satisfactory to the Lender. All policies shall expressly provide that the Lender shall be the loss payee or, alternatively, if requested by Lender, mortgagee. The Lender is granted a security interest in the proceeds of such insurance and may apply such proceeds as it may receive toward the payment of the Obligations, whether or not due, in such order as the Lender may in its sole discretion determine. The Debtor agrees to maintain, at its own expense, public liability and property damage insurance upon all its other property, to provide such policies in such form as the Lender may approve, and to furnish the Lender with copies of other evidence of such policies and evidence of the payments of the premiums thereon. All policies of insurance shall provide for a minimum 10 days' written notice of cancellation to Lender. At the request of Lender, such policies of insurance shall be delivered to and held by Lender. Debtor agrees that Lender is authorized to act as attorney for Debtor in obtaining, adjusting, settling, and canceling such insurance and endorsing any drafts or instruments issued or connected with such insurance. Debtor specifically authorizes Lender to disclose information obtained in conjunction with this Agreement and from policies of insurance to prospective insurers of the Collateral. If the Debtor at any time fails to obtain or to maintain any of the insurance required above or pay any premium in whole or in part relating thereto, the Lender, without waiving any default hereunder, may make such payment or obtain such policies as the Lender, in its sole discretion, deems advisable to protect the Debtor's property. All costs incurred by the Lender, including reasonable attorneys' fees, court costs, expenses, and other charges thereby incurred, shall become a part of the Obligations and shall be payable on demand.

ACCOUNTS. As of the time any account becomes subject to the security interest (or pledge or assignment as applicable) granted hereby, Debtor shall be deemed further to have warranted as to each and all of such accounts as follows: (a) each account and all papers and documents relating thereto are genuine and in all respects what they purport to be; (b) each account is valid and subsisting and arises out of a bona fide sale of goods sold and delivered to, or out of and for services theretofore actually rendered by Debtor to, the account debtor named in the account or other bona fide transaction; (c) the amount of the account represented as owing is the correct amount actually and unconditionally owing except for normal cash discounts and is not subject to any setoffs, credits, defenses, or countercharges; and (d) Debtor is the owner thereof free and clear of any charges, liens, security interests, adverse claims, and encumbrances of any and every nature whatsoever.

Lender shall have the right in its own name or in the name of the Debtor, whether before or after default, to require Debtor: (1) to transmit all proceeds of collection of accounts to Lender; (2) to notify any and all account debtors to make payments of the accounts directly to Lender; (3) to demand, collect, receive, receipt for, sue for, compound, and give acquittal for, any and all amounts due or to become due on the accounts and to endorse the name of the Debtor on all commercial paper given in payment or part payment thereof; and (4) in Lender's discretion, to file any claim or take any other action or proceeding that Lender may deem necessary or appropriate to protect and preserve and realize upon the accounts and related Collateral.

Unless and until Lender elects to collect accounts, and the privilege of Debtor to collect accounts is revoked by Lender in writing, Debtor shall continue to collect accounts, account for same to Lender, shall not commingle the proceeds of collections of accounts with any funds of the Debtor, and shall deposit such proceeds in an account with Lender. In order to assure collection of accounts in which Lender has an interest hereunder, Lender may notify the post office authorities to change the address for delivery of mail addressed to Debtor to such address as Lender



may designate, open and dispose of such mail, and receive the collections of accounts included therewith. Lender shall have no duty or obligation whatsoever to collect any account or to take any other action or preserve or protect the Collateral; however, should Lender elect to collect any account or take possession of the Collateral, Debtor releases Lender from any claim or claims for loss or damage arising from any act or omission in connection therewith, and costs of collection incurred by Lender shall be an obligation secured hereby and constitute a portion of the Obligations.

Upon request by Lender, whether before or after default, Debtor shall take such action and execute and deliver such documents as Lender may reasonably request in order to identify, confirm, mark, segregate, and assign accounts and to evidence Lender's interest in same. Without limiting the foregoing Debtor, upon request, agrees to assign accounts to Lender, identify and mark accounts as being subject to the security interest for pledge (or assignment as applicable) granted hereby, mark Debtor's books and records to reflect such assignments, and forthwith to transmit to Lender in the form as received by Debtor any and all proceeds of collection of such accounts.

Debtor will deliver to Lender, prior to the 10th day of each month, or with such other frequency as Lender may request, a written report in form and content satisfactory to Lender, showing a listing and aging of accounts and such other information as Lender may request from time to time. Debtor shall immediately notify Lender of the assertion by any account debtor of any setoff, defense, or claim regarding an account or any other matter adversely affecting an account.

Returned or repossessed goods arising from or relating to any accounts included within the Collateral shall, if requested by Lender, be held separate and apart from any other property. Debtor, on request by Lender, but not less than weekly even though no request has been made, shall report to Lender identifying information with respect to any such goods relating to accounts included in transactions under this Agreement.

INVENTORY. Debtor will deliver to Lender prior to the 10th day of each month, or on such other frequency as Lender may request, a written report in form and content satisfactory to Lender, with respect to the preceding month or other applicable period showing Debtor's opening inventory, inventory acquired, inventory sold, inventory returned, inventory used in Debtor's business, closing inventory, and other inventory not with the preceding categories, and such other information as Lender may request from time to time. Debtor shall immediately notify Lender of any matter adversely affecting the inventory, including, without limitation, any event causing loss or depreciation in the value of the inventory and the amount of such possible loss or depreciation.

Debtor will promptly notify Lender in writing of any addition to, change in, or discontinuance of its place(s) of business as shown in this Agreement, and the location of the office where it keeps its records. All Collateral will be located at the place(s) of business shown herein, as modified by any written notice(s) given pursuant hereto.

Unless and until the privilege of Debtor to use inventory in the ordinary course of Debtor's business is revoked by Lender in the event of default or if Lender deems itself insecure, Debtor may use the inventory in any manner not inconsistent with this Agreement, may sell that part of the Collateral consisting of inventory provided that all such sales are in the ordinary course of business, and may use and consume any raw materials or supplies that are necessary in order to carry on Debtor's business. A sale in the ordinary course of business does not include a transfer in partial or total satisfaction of a debt.

All accounts that arise from the sale of the inventory included within the Collateral shall be subject to all of the terms and provisions hereof pertaining to accounts.

Debtor shall take all action necessary to protect and preserve the inventory.

INSTRUMENTS. Debtor shall immediately deliver to Lender all instruments included in the Collateral. Negotiable instruments shall be endorsed to the order of Lender. With respect to other writing(s) evidencing a right to the payment of money that, in the ordinary course of business, is transferred by delivery with any necessary endorsement or assignment, Debtor shall deliver to Lender and to any third-party issuer a document of assignment in a form and content satisfactory to Lender assigning the Debtor's rights in the said writing(s), and the third-party issuer shall acknowledge receipt of notice of the assignment.

Debtor agrees that Lender may, at any time (whether before or after default) and in its sole discretion, surrender for payment and obtain payment of any portion of the Collateral.

Any and all replacement instruments and other benefits and proceeds related to the Collateral that are received by the Debtor shall be held by Debtor in trust for lender and immediately delivered to Lender to be held as part of the Collateral.

DEPOSIT ACCOUNTS. Debtor shall immediately deliver to Lender all certificated certificates of deposit included in the Collateral. Negotiable certificates of deposit shall be endorsed to the order of Lender. Debtor shall execute any and all other documents necessary to provide an appropriate security interest in any account with Lender. With respect to deposit accounts held in another Bank, Debtor shall deliver to Lender a control agreement ("Control Agreement") in a form and content satisfactory to Lender assigning the Debtor's rights in the deposit account to Lender, and the Bank shall acknowledge receipt of the Control Agreement. The Control Agreement must be in a form that provides that the Bank will comply with any instruction originated by the Lender directing disposition of funds in the Deposit Account without further consent of the Debtor. The form of Control Agreement must be in a form satisfactory to the Lender, and must provide that said Bank will comply with a directive originated by the Lender and will not comply with any directive of the Debtor without the additional written consent of the Lender.

Debtor agrees that Lender may, at any time (whether before or after default) and in its sole discretion, surrender for payment and obtain payment of any portion of the Collateral, whether such have matured or the exercise of the Lender's rights results in a loss of interest or principal or other penalty on such deposits, and, in connection therewith, cause payments to be made directly to Lender.

Any and all replacement or renewal certificates and other benefits and proceeds related to the Collateral that are received by the Debtor shall be held by Debtor in trust for Lender and immediately delivered to Lender to be held as part of the Collateral.



Without limiting the foregoing, it is specifically understood and agreed that Lender shall have no responsibility for ascertaining any maturities or similar matters relating to any of the Collateral or for informing Debtor with respect to any such matters (irrespective of whether lender actually has, or may be deemed to have, knowledge thereof).

INVESTMENT PROPERTY. Immediately upon the execution of this Agreement or Debtor's acquiring rights in the Collateral, Debtor shall: (a) If the Collateral includes certificated securities to Lender and if the certificate is in registered form, register it in the name of Lender or deliver to Lender with the certificate a stock power satisfactory in form and substance to Lender. (b) If the Collateral includes uncertificated securities directly held by Debtor, transfer such securities from Debtor to Lender on the books of the issuer or cause the issuer to enter into and deliver to Lender a control agreement with Debtor and Lender, having a form and substance satisfactory to Lender, providing that issuer will comply with instructions originated by Lender without further consent of the registered owner and issuer will not follow instructions originated by Debtor without the Lender's written consent. (c) If the Collateral includes security entitlements, security accounts, or commodity accounts, cause the Lender to become the holder of the entitlements or accounts or cause the securities intermediary and/or the commodity intermediary to enter into and deliver to Lender an agreement with Debtor and Lender, in a form and substance satisfactory to Lender, providing that said intermediary will comply with entitlements or orders originated by Lender without further consent by Debtor and will not comply with orders originated by Debtor without Lender's written consent. (d) If the Collateral includes commodity contracts, cause the commodity intermediary to enter into and deliver to Lender an agreement with Debtor and Lender, in a form and substance satisfactory to Lender, that said intermediary will apply any value distributed on account of the commodity contract as directed by Lender without further consent by the commodity customer and will not comply with orders originated by Debtor without Lender's written consent.

Upon demand by Lender, Debtor shall execute, assign, and endorse all proxies, applications, acceptances, stock powers, chattel paper, documents, instruments, or other evidence of payment or writing constituting or relating to any of the Collateral, all in such form and substance as may be satisfactory to Lender.

Lender shall also have a security interest in all investment property, rights, and interest of every description at any time issued or issuable as an addition to, in substitution of exchange for, or with respect to the Collateral, including, without limitation, shares issued as dividends or as the result of any reclassifications, merger, spin-off, or other reorganization. Debtor shall deliver promptly to Lender in the exact form received, any such securities or other property which come into the possession, custody, or control of Debtor, and shall with respect to such property transfer control to Lender in accord with the paragraphs above.

In its discretion and without notice to Debtor, the Lender may take any one or more of the following actions, without liability except to account for the property actually received: (a) transfer or register in its name or the name of its nominee any of the Collateral, with or without liability except to account for the property actually received; (b) transfer or register in its name or the name of its nominee any of the Collateral, with or without identification of the security interest herein created, and whether or not so transferred or registered, receive the income, dividends and other distributions thereon and hold them to apply them to the Obligations in any order of priority; (c) to the fullest extent possible under applicable law, exercise or cause to be exercised all voting and corporate powers with respect to any of the Collateral, including all rights of conversion, exchange, subscription, and any other rights, privileges, or options pertaining to such Collateral, as if the absolute owner thereof; (d) exchange any of the Collateral for other property upon a reorganization, recapitalization, or other readjustment and, in connection therewith, deposit any of the Collateral with any committee or depository upon such terms as the Lender may determine; and (e) in its absolute discretion to exercise or to withhold the exercise of any of the rights, powers, privileges, and options expressly or implicitly granted to the Lender in this Agreement, without duty to do so and without responsibility for any failure to do so or to delay in so doing.

Without limiting any other right of Lender, on default the Lender may, to the fullest extent permitted by applicable law, without notice, advertisement, hearing, or process of law of any kind, sell any or all of the Collateral, free of all rights and claims of the Debtor therein or thereto, on any recognized market or exchange at any price reasonably consistent with the market price occurring at the time of the sale of the Collateral and, notwithstanding any recent or current decreases or increases in that market price, the sale of the Collateral on such recognized market or exchange shall be deemed reasonable if conducted under ordinary terms regardless of how soon after default the Lender sells such Collateral.

ADDITIONAL COLLATERAL. In the event that Lender should, at any time, determine that the Collateral or Lender's security interest in the Collateral is impaired, insufficient, or has declined or may decline in value, or if Lender should deem that payment of the Obligations is insecure, time being of the very essence, then Lender may require, and Debtor agrees to furnish, additional Collateral that is satisfactory to Lender. Lender's request for additional collateral may be oral or in writing delivered by United States mail addressed to Debtor and shall not affect any other subsequent right of the Lender to request additional Collateral.

FINANCING STATEMENT(S) AND LIEN PERFECTION. Lender is authorized to file a conforming financing statement or statements to perfect its security interest in the Collateral, as provided in Revised Article 9, Uniform Commercial Code - Secured Transactions. Debtor agrees to provide such information, supplements, and other documents as Lender may from time to time require to supplement or amend such financing statement filings, in order to comply with applicable state or federal law and to preserve and protect the Lender's rights in the Collateral. The Debtor further grants the Lender a power of attorney to execute any and all documents necessary for the Lender to perfect or maintain perfection of its security interest in the Collateral, and to change or correct any error on any financing statement or any other document necessary for proper placement of a lien on any Collateral which is subject to this Agreement.

LANDLORD'S WAIVER. Upon request, Debtor shall furnish to Lender, in a form and upon such terms as are acceptable to Lender, a landlord's waiver of all liens with respect to any Collateral covered by this Agreement that is or may be located upon leased premises.

RELATIONSHIP TO OTHER AGREEMENTS. This Agreement and the security interests (and pledges and assignments, as applicable) herein granted are in addition to (and not in substitution, novation or discharge of) any and all prior or contemporaneous security agreements, security interest, pledges, assignments, mortgages, liens, rights, titles, or other interests in favor of Lender or assigned to Lender by others in connection with the Obligations. All rights and remedies of Lender in all such agreements are cumulative.



TAXES, LIENS, ETC. The Debtor agrees to pay all taxes, levies, judgments, assessments, and charges of any nature whatsoever relating to the Collateral or to the Debtor's business. If the Debtor fails to pay such taxes or other charges, the Lender, at its sole discretion, may pay such charges on behalf of the Debtor; and all sums so dispensed by the Lender, including reasonable attorneys' fees, court costs, expenses, and other charges relating thereto, shall become a part of the Obligations and shall be payable on demand.

ENVIRONMENTAL HAZARDS. Debtor certifies that as to any real estate which has been, is now, or will be in the future owned or occupied by Debtor, that such real estate has not in the past, nor will now or in the future be allowed in any manner to be exposed to or contain hazardous or environmentally harmful substances as may be defined or regulated by any local, state or federal law or regulation which impacts, in any way, such substances, except to the extent the existence of such substances has been presently disclosed in writing to Lender, and Debtor will immediately notify Lender in writing of any assertion made by any party to the contrary. Debtor indemnifies and holds Lender and Lender's directors, officers, employees, and agents harmless from any liability or expense of whatsoever nature, including reasonable attorneys' fees, incurred directly or indirectly as a result of Debtor's involvement with hazardous or environmentally harmful substances as may be defined or regulated as such under any local, state or federal law or regulation or Debtor's ownership or occupation of any real estate upon which any hazardous or environmentally harmful substance is or was previously located.

PROTECTION OF COLLATERAL. Debtor agrees that Lender may, at Lender's sole option, whether before or after any event of default, and without prior notice to Debtor, take the following actions to protect Lender's interest in the Collateral: (a) pay for the maintenance, preservation, repair, improvement, or testing of the Collateral; (b) pay any filing, recording, registration, licensing, certification, or other fees and charges related to the Collateral; or (c) take any other action to preserve and protect the Collateral or Lender's rights and remedies under this Agreement, as Lender may deem necessary or appropriate from time to time. Debtor agrees that Lender is not obligated and has no duty whatsoever to take the foregoing actions. Debtor further agrees to reimburse Lender promptly upon demand for any payment made or any expenses incurred by Lender pursuant to this authorization. Payments and expenditures made by Lender under this authorization shall constitute additional Obligations, shall be secured by this Agreement, and shall bear interest thereon from the date incurred at the maximum rate of interest, including any default rate, if one is provided, as set forth in the notes secured by this obligation.

INFORMATION AND REPORTING. The Debtor agrees to supply to the Lender such financial and other information concerning its affairs and the status of any of its assets as the Lender, from time to time, may reasonably request. The Debtor further agrees to permit the Lender, its employees, and agents, to have access to the Collateral for the purpose of inspecting it, together with all of the Debtor's other physical assets, if any, and to permit the Lender, from time to time, to verify Accounts, if any, as well as to inspect, copy, and to examine the books, records, and files of the Debtor.

CROSS-COLLATERALIZATION. Debtor agrees that any security interest provided in Collateral under this Agreement or any Collateral provided in connection with any and all other indebtedness of Debtor to Lender, whether or not such indebtedness is related by class or claim and whether or not contemplated by the parties at the time of executing each evidence of indebtedness, shall act as Collateral for all said indebtedness. This cross-collateralization provision shall not apply to any Collateral that is/are household goods or a principal dwelling.

DEFAULT. The occurrence of any of the following events shall constitute a default of this Agreement: (a) the non-payment, when due (whether by acceleration of maturity or otherwise), of any amount payable on any of the Obligations or any extension or renewal thereof; (b) the failure to perform any agreement of the Debtor contained herein or in any other agreement Debtor has or may have with Lender; (c) the publication of any statement, representation, or warranty, whether written or oral, by the Debtor to the Lender, which at any time is untrue in any respect as of the date made; (d) the condition that any Debtor becomes insolvent or unable to pay debts as they mature, or makes an assignment for the benefit of the Debtor's creditors, or conveys substantially all of its assets, or in the event of any proceedings instituted by or against any Debtor alleging that such Debtor is insolvent or unable to pay debts as they mature (failure to pay being conclusive evidence of inability to pay); (e) Debtor makes application for appointment of a receiver or any other legal custodian, or in the event that a petition of any kind is filed under the Federal Bankruptcy Code by or against such Debtor and the resulting proceeding is not discharged within thirty days after filing; (f) the entry of any judgment against any Debtor, or the issue of any order of attachment, execution, sequestration, claim and delivery, or other order in the nature of a writ levied against the Collateral; (g) the death of any Debtor who is a natural person, or of any partner of the Debtor which is a partnership; (h) the dissolution, liquidation, suspension of normal business, termination of existence, business failure, merger, or consolidation or transfer of a substantial part of the property of any Debtor which is a corporation, limited liability company, partnership or other non-individual business entity; (i) the Collateral or any part of the Collateral declines in value in excess of normal wear, tear, and depreciation or becomes, in the judgment of Lender, impaired, unsatisfactory, or insufficient in character or value, including but not limited to the filing of a competing financing statement; breach of warranty that the Debtor is the owner of the Collateral free and clear of any encumbrances (other than those encumbrances disclosed by Debtor or otherwise made known to Lender, and which were acceptable to Lender at the time); sale of the Collateral (except in the ordinary course of business) without Lender's express written consent; failure to keep the Collateral insured as provided herein; failure to allow Lender to inspect the Collateral upon demand or at reasonable time; failure to make prompt payment of taxes on the Collateral; loss, theft, substantial damage, or destruction of the Collateral; and, when Collateral includes inventory, accounts, chattel paper, or instruments, failure of account debtors to pay their obligations in due course; or (j) the Lender in good faith, believes the Debtor's ability to repay the Debtor's indebtedness secured by this Agreement, any Collateral, or the Lender's ability to resort to any Collateral, is or soon will be impaired, time being of the very essence.

REMEDY. Upon the occurrence of an event of default, Lender, at its option, shall be entitled to exercise any one or more of the remedies described in this Agreement, in all documents evidencing the Obligations, in any other agreements executed by or delivered by Debtor for benefit of Lender, in any third-party security agreement, mortgage, pledge, or guaranty relating to the Obligations, in the Uniform Commercial Code of the state in which Lender is located, and all remedies at law and equity, all of which shall be deemed cumulative. The Debtor agrees that, whenever a default exists, all Obligations may (notwithstanding any provision in any other agreement), at the sole option and discretion of the Lender and without demand or notice of any kind, be declared, and thereupon immediately shall become due and payable; and the Lender



may exercise, from time to time, any rights and remedies, including the right to immediate possession of the Collateral, available to it under applicable law. The Debtor agrees, in the case of default, to assemble, at its own expense, all Collateral at a convenient place acceptable to the Lender. The Lender shall, in the event of any default, have the right to take possession of and remove the Collateral, with or without process of law, and in doing so, may peacefully enter any premises where the Collateral may be located for such purpose. Debtor waives any right that Debtor may have, in such instance, to a judicial hearing prior to such retaking. The Lender shall have the right to hold any property then in or upon said Collateral at the time of repossession not covered by the security agreement until return is demanded in writing by Debtor. Debtor agrees to pay all reasonable costs of the Lender in connection with the collecting of the Obligations and enforcement of any rights connected with retaking, holding, testing, repairing, improving, selling, leasing, or disposing of the Collateral, or like expenses. These expenses, together with interest thereon from the date incurred until paid by Debtor at the maximum post-default rate stated in the notes secured hereby, which Debtor agrees to pay, shall constitute additional Obligations and shall be secured by and entitled to the benefits of this Agreement. The Lender may sell, lease, or otherwise dispose of the Collateral, by public or private proceedings, for cash or credit, without assumption of credit risk. Unless the Collateral is perishable or threatens to decline speedily in value or of a type customarily sold on a recognized market, Lender will send Debtor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition will be made. Any notification of intended disposition of the Collateral by the Lender shall be deemed to be reasonable and proper if sent United States mail, postage prepaid, electronic mail, facsimile, overnight delivery or other commercially reasonable means to the Debtor at least ten (10) days before such disposition, and addressed to the Debtor either at the address shown herein or at any other address provided to Lender in writing for the purpose of providing notice. Proceeds received by Lender from disposition of the Collateral may be applied toward Lender's expenses and other obligations in such order or manner as Lender may elect. Debtor shall be entitled to any surplus if one results after lawful application of the proceeds. If the proceeds from a sale of the Collateral are insufficient to extinguish the Obligations of the Debtor hereunder, Debtor shall be liable for a deficiency. Lender shall have the right, whether before or after default, to collect and receipt for, compound, compromise, and settle, and give releases, discharges, and acquittances with respect to, any and all amounts owed by any person or entity with respect to the Collateral. Lender may remedy any default and may waive any default without waiving the default remedied and without waiving any other prior or subsequent default. The rights and remedies of the Lender are cumulative, and the exercise of any one or more of the rights or remedies shall not be deemed an election of rights or remedies or a waiver of any other right or remedy.

FUTURE ADVANCES AND AFTER-ACQUIRED PROPERTY. Future advances may be made at any time by the Lender under this Agreement to the extent allowed by law. The security interest grant contained in this Agreement also applies to any Collateral of the type(s) identified in this Agreement that the Debtor acquires after this Agreement is executed, except that no security interest attaches to after-acquired consumer goods unless the Debtor acquires rights in such goods within 10 days of Lender giving value. In anticipation of future advances by Lender, the Debtor authorizes Lender to file any necessary financing statements to protect Lender's security interest.

EXERCISE OF LENDER'S RIGHTS. Any delay on the part of the Lender in exercising any power, privilege, or right hereunder, or under any other document executed by Debtor to the Lender in connection herewith, shall not operate as a waiver thereof, and no single or partial exercise thereof or any other power, privilege, or right shall preclude other or further exercise thereof. The waiver by the Lender of any default of the Debtor shall not constitute a waiver of subsequent default.

CONTINUING AGREEMENT. This is a continuing agreement and the security interest (and pledge and assignment, as applicable) hereby granted and all of the terms and provisions of this Agreement shall be deemed a continuing agreement and shall remain in full force and effect until the Obligations are paid in full. In the event that Lender should take additional Collateral, or enter into other security agreements, mortgages, guarantees, assignments, or similar documents with respect to the Obligations, or should Lender enter into other such agreements with respect to other obligations of Debtor, such agreements shall not discharge this Agreement, which shall be construed as cumulative and continuing and not alternative and exclusive.

Any attempted revocation or termination shall only be effective if explicitly confirmed in a signed writing issued by Lender to such effect and shall in no way impair or affect any transactions entered into or rights created or liabilities incurred or arising prior to such revocation or termination, as to which this Agreement shall be truly operative until same are repaid and discharged in full. Unless otherwise required by applicable law, Lender shall be under no obligation to issue a termination statement or similar document unless Debtor requests same in writing, and providing further, that all Obligations have been repaid and discharged in full and there are no commitments to make advances, incur any obligations, or otherwise give value.

ABSENCE OF CONDITIONS OF LIABILITY. This Agreement is unconditional. Lender shall not be required to exhaust its remedies against Debtor, other collateral, or guarantors, or pursue any other remedies within Lender's power before being entitled to exercise its remedies hereunder. Lender's rights to the Collateral shall not be altered by the lack of validity or enforceability of the Obligations against Debtor, and this Agreement shall be fully enforceable irrespective of any counterclaim which the Debtor may assert on the underlying debt and notwithstanding any stay, modification, discharge, or extension of Debtor's Obligation arising by virtue of Debtor's insolvency, bankruptcy, or reorganization, whether occurring with or without Lender's consent.

NOTICES. Any notice or demand given by Lender to Debtor in connection with this Agreement, the Collateral, or the Obligations, shall be deemed given and effective upon deposit in the United States mail, postage prepaid, electronic mail, facsimile, overnight delivery or other commercially reasonable means addressed to Debtor at the address designated at the beginning of this Agreement, or such other address as Debtor may provide to Lender in writing from time to time for such purposes. Actual notice to Debtor shall always be effective no matter how such notice is given or received.

WAIVERS. Debtor waives notice of Lender's acceptance of this Agreement, defenses based on suretyship, and to the fullest extent permitted by law, any defense arising as a result of any election by Lender under the Bankruptcy Code or the Uniform Commercial Code. Debtor and any maker, endorser, guarantor, surety, third-party pledgor, and other party executing this Agreement that is liable in any capacity with respect to the



Obligations hereby waive demand, notice of intention to accelerate, notice of acceleration, notice of nonpayment, presentment, protest, notice of dishonor, and any other similar notice whatsoever.

WAIVER OF JURY TRIAL. All parties to this Agreement hereby knowingly and voluntarily waive, to the fullest extent permitted by law, any right to trial by jury of any dispute, whether in contract, tort, or otherwise, arising out of, in connection with, related to, or incidental to the relationship established between them in this Agreement or any other instrument, document or agreement executed or delivered in connection with this Agreement or the Related Documents.

WAIVER OF PREJUDGMENT REMEDY. Debtor voluntarily and knowingly, hereby waives all rights of notice and hearing in connection with the obtaining by Lender/Beneficiary of any prejudgment remedy, as allowed under Chapter 903A of the Connecticut General Statutes.

JOINT AND SEVERAL LIABILITY. To the extent permitted by law, each Debtor executing this Agreement is jointly and severally bound.

SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law; but, in the event any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity and shall be severed from the rest of this Agreement without invalidating the remainder of such provision or the remaining provisions of this Agreement.

SURVIVAL. The rights and privileges of the Lender hereunder shall inure to the benefits of its successors and assigns, and this Agreement shall be binding on all heirs, executors, administrators, assigns, and successors of Debtor.

ASSIGNABILITY. Lender may assign, pledge, or otherwise transfer this Agreement or any of its rights and powers under this Agreement without notice, with all or any of the Obligations, and in such event the assignee shall have the same rights as if originally named herein in place of Lender. Debtor may not assign this Agreement or any benefit accruing to it hereunder without the express written consent of the Lender.

GOVERNING LAW. This Agreement has been delivered in the State of Connecticut and shall be construed in accordance with the laws of that state.

HEADINGS AND GENDER. The headings preceding text in this Agreement are for general convenience in identifying subject matter, but have no limiting impact on the text which follows any particular heading. All words used in this Agreement shall be construed to be of such gender or number as the circumstances require.

MISCELLANEOUS. Time is of the essence of this Agreement. Except as otherwise defined in this Agreement, all terms herein shall have the meanings provided by the Uniform Commercial Code as it has been adopted in the state of Connecticut. All rights, remedies, and powers of the Lender hereunder are irrevocable and cumulative, and not alternative or exclusive, and shall be in addition to all rights, remedies, and powers given hereunder or in or by any other instruments or by the provision of the Uniform Commercial Code as adopted in the state where the Lender is located, or any other laws, now existing or hereafter enacted. The Debtor specifically agrees that, if it has heretofore or hereafter executed any loan agreement in conjunction with the Agreement, any ambiguities between this Agreement and any such loan agreement shall be construed under the provisions of the loan agreement, to the extent that it may be necessary to eliminate any such ambiguity. Debtor releases Lender from any liability which might otherwise exist for any act or omission of Lender related to the collection of any debt secured by this Agreement or the disposal of any Collateral, except for the Lender's willful misconduct.

ORAL AGREEMENTS DISCLAIMER. This Agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

ACKNOWLEDGMENT. Debtor acknowledges agreeing to all of the provisions in this Agreement, and further acknowledges receipt of a true and complete copy of this Agreement.

IN WITNESS WHEREOF, Debtor has executed this Agreement on the date and year shown below.

The Third Taxing District of the City of Norwalk

By: Kevin Barber Date
Its: General Manager

LENDER: Patriot Bank, N.A.

By: Barbara Budnick Date
Its: Senior Vice President



AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS

Patriot Bank, N.A.
900 Bedford Street
Stamford, Connecticut 06901
(203)252-5900

AGREEMENT DATE		
March 25, 2019		

ACCOUNTHOLDER INFORMATION

The Third Taxing District of the City of Norwalk
 2 Second St
 Norwalk, CT 06855

DEBIT ORIGINATOR ("Company")		RECEIVING DEPOSITORY FINANCIAL INSTITUTION ("RDFI")	
Patriot Bank, N.A. 900 Bedford Street Stamford, CT 06901		Patriot Bank, N.A. 900 Bedford Street Stamford, CT 06901 Branch: Commercial Lending Institution Routing Number: 021112935	
LOAN NUMBER	PAYMENT TYPE	DEBIT ACCOUNT NUMBER	ACCOUNT TYPE
890056823	Loan Payment	540500915	Checking/DDA
AMOUNT	FREQUENCY		
Amount Will Vary	Payments to begin May 1, 2019, and continue every month thereafter, until the ending date of January 1, 2020.		

The RDFI is responsible only for performing the services expressly provided for in this Authorization. The terms, conditions, and limitations of liability that govern this Authorization are stated in the Account Agreement Accountholder received at account opening.

This Authorization will remain in full force and effect until Originator has received written notification from the Accountholder of its termination in such time and manner as to afford Company and RDFI a reasonable opportunity to act on it.

Accountholder authorizes the Company to initiate debit entries to their account at the RDFI, and to debit the same to such account. Accountholder acknowledges that the origination of ACH transactions to the account must comply with the provisions of U.S. law.

The Third Taxing District of the City of Norwalk

By: Kevin Barber
 Its: General Manager

Date

NOTE: DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE COMPANY IN THE MANNER SPECIFIED IN THE AUTHORIZATION.





Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

Memorandum

To: TTD Commissioners

From: Kevin Barber – General Manager 

Date: March 25, 2019

Subject: Engagement Letter – Hope and Hernandez

Attached please find a copy of a formal engagement letter from our auditors, Hope and Hernandez, outlining the scope of services they plan on providing with respect to the financial audit for FYE June 30, 2019.

The services and fee as outlined are consistent with what has been presented in the past.

The staff is working diligently with the auditors this year to complete the audit on a more timely basis and all indications are that we are heading in that direction.

My recommendation is to engage Hope and Hernandez to perform the audit for TTD for FYE June 30, 2019 for a cost not to exceed \$21,900.00 which is the same cost as last year.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Debora Goldstein	203-252-7214	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Pamela Parkington	203-858-4261	Commissioner			Treasurer



March 23, 2019

Mr. Kevin Barber, General Manager
Third Taxing District of the City of Norwalk, Connecticut
2 Second Street
East Norwalk, CT 06855

**ENGAGEMENT LETTER FOR THE YEAR ENDING
JUNE 30, 2019**

Dear Mr. Barber:

We are pleased to confirm our understanding of the services we are to provide the Third Taxing District of the City of Norwalk, Connecticut for the year ending June 30, 2019. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Third Taxing District of the City of Norwalk, Connecticut as of and for the year ending June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussions and analysis (MD&A), to supplement the Third Taxing District of the City of Norwalk, Connecticut's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Third Taxing District of the City of Norwalk, Connecticut's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussions and Analysis
2. Schedule of Changes in the District's Net Pension Liability and Related Ratios
3. Schedule of Net Pension Liability
4. Schedule of District Contributions - Pension Trust Fund.
5. Schedule of Investment Returns – Pension Trust Fund
6. Schedule of Changes in the Total OPED Liability and Related Ratios
7. Schedule of Changes in the Total OPED Liability

We have also been engaged to report on supplementary information other than RSI that accompanies the Third Taxing District of the City of Norwalk, Connecticut's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and

Mr. Kevin Barber, General Manager
Third Taxing District

Page -2-

reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole.

1. Schedule of Utility Plant.
2. Schedule of Various Operating Expenses.
3. Schedule of Various Administrative Expenses.

Audit Objective

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of the Third Taxing District of the City of Norwalk, Connecticut's financial statements. Our report will be addressed to the Honorable Commissioners of the Third Taxing District of the City of Norwalk, Connecticut. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or may withdraw from this engagement.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of

Mr. Kevin Barber, General Manager
Third Taxing District

Page -3-

Audit Procedures – General - Continued

management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Our responsibility as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters. If we incur legal fees as a result of our reliance on any false representations made by District representatives, the District agrees to reimburse us for all of our legal fees and related costs of defense.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Third Taxing District City of Norwalk, Connecticut's compliance with the provisions of applicable laws, regulations, contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. We will advise you about appropriate accounting principles and their application and will prepare your financial statements in conformity with U.S. generally accepted accounting principles based on information provided by you, but the responsibility for the financial statements remains with you. As part of our engagement, we may

Mr. Kevin Barber, General Manager
Third Taxing District

Page -4-

Management Responsibilities - Continued

propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements. You agree to assume all management responsibilities for financial statement preparation services and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management is responsible for designing, implementing, and maintaining effective internal controls, relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements; (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the basic financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Third Taxing District of the City of Norwalk, Connecticut involving (1) management, (2) employees who have significant roles in internal control, and (3), others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our audit report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the

Mr. Kevin Barber, General Manager
Third Taxing District

Page -5-

Management Responsibilities - Continued

audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Engagement Administration, Fees and Other

We understand that your employees will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Hope & Hernandez, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant agency or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Hope & Hernandez, P.C.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to a cognizant agency or its designee. The cognizant agency or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on approximately August 1, 2019 and to issue our reports no later than October 31, 2019. Charles J Rubertino, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for the audit for the year ending June 30, 2019 will be \$21,900. Our fees for other special auditing, accounting services or consulting services will be billed at the rate of \$100 per hour plus expenses.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspending if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expending and to reimburse us for all out-of-pocket expenditures through the date of termination.

Mr. Kevin Barber, General Manager
Third Taxing District

Page -6-

We appreciate the opportunity to be of service to the Third Taxing District of the City of Norwalk, Connecticut and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Charles J. Rubertino, CPA, President

RESPONSE:

This letter correctly sets forth the understanding of the Third Taxing District of the City of Norwalk, Connecticut.

Management Signature: _____

Title: _____

Date: _____

Ed Holowinko

57 Russell Street, Norwalk CT 06855
skypaw@aol.com
203-858-5750

To Third Taxing District:

I would like to express my interest in the TTD Commission's Treasurer position. I have been a Democrat in good standing for 46 years and a resident of East Norwalk for 19 years.

Thank you for your consideration.

Sincerely,
Ed Holowinko

Ed Holowinko

Phone: (203) 858-5750

E-mail: SummitRidge57@aol.com

57 Russell Street
Norwalk, CT 06855

PROFILE

Business owner, tile installation and restoration expert, weatherization and insulation specialist.

- RESNET, BPI, and LEED trained.
- FLIR factory trained infrared thermographer.
- Hard surface cleaning certification.
- Factory trained for Schluter water membrane system installation.
- Well organized good planner who meets schedules with minimal disruption to the homeowner.
- Specialized knowledge of older (1640 – 1960) home construction.
- Reputation for reliability, quality work and getting it right the first time.
- Frequently called upon to resolve difficult issues.

PROFESSIONAL EXPERIENCE

Tidewater & Crew Tile Restoration, LLC, Norwalk, CT
Tile and Marble Cleaning and Restoration

2013 – Present

Owner

- Rebuild showers
- Polish marble
- Tile installation

Lantern Energy, LLC, Norwich, CT
Building performance specialists

2009 – 2012

Chief Insulation Specialist and Energy Auditor

- Created insulation division for the company.
- Oversee all insulation work in CT.
- Maintain high standards and reputation for insulation and weatherization.

Green Star Energy Solutions, LL, Brookfield, CT
Building performance specialists

2008 – 2009

Foreman/Consultant and Energy Auditor

- Oversaw and worked on high quality residential weatherization retrofits.
- Trained several work crews for weatherization and cellulose insulation.
- Provided detailed pricing calculations for customer estimates.
- Controlled supply and personnel logistics for retrofit crews.

- Remodeling Consultants of Westchester, Inc., Mamaroneck, NY** 2007 – 2008
Home remodeling and design consultants
- Foreman/Carpenter*
- Oversaw production and maintain quality control.
 - Hands on involvement in all phases of construction.
- Steven Winter Associates, Inc., Norwalk, CT** 2007
Building Systems Consultants
- Field Technician*
- Fostered good customer relationships.
 - Performed data collection and air/duct sealing under the HES program.
- Summit Ridge, Inc., Norwalk, CT** 1995 – 2012
Home building, remodeling and weatherization.
- Owner/Consultant*
- Restored homes of historical significance to period style.
 - Remodeled kitchens and bathrooms.
 - Recognized for exceptional marble and tile work.
 - Specialization in home energy retrofits, conservation and solar energy.
 - Installed radon mitigation systems.
 - Installed Grade I insulation and blown in cellulose.
- Sundance and Associates, Inc., Dayton, OH** 1985 – 1994
General contracting.
- Owner/Consultant*
- Prepared repossessed bank properties for resale and managed multi-family properties.
 - Planned and implemented blown-in insulation and energy saving retrofits.
 - Conducted home inspections.
- Montgomery County Engineers Office, Dayton, OH** 1984 – 1985
County bridge and highway authority.
- Engineering Intern*
- Refined highway realignments on county roads and conducted bridge inspections.
- ConnSave/Northeast Utilities, Redding, CT** 1983 – 1984
Major provider of utility services in New England.
- Energy Conservation Auditor*
- Conducted home energy audits and recommended energy and cost saving enhancements.
- Stone Hollow & Associates, Inc. Stamford, CT** 1976 – 1983
General contracting.

EDUCATION

New York University, New York, NY – BA, History of Religion
University of Dayton, Dayton, OH – Civil Engineering courses

VOLUNTEER EXPERIENCE**Norwalk Conservation Commission** **2003 – Present**

- Appointed by Mayor as Commissioner on municipal regulatory agency.
- Review inland wetland applications and projects.
- Amend city regulations concerning open space and environmental issues.

American Red Cross, Lower Fairfield County, CT **2002 – Present**

- Registered national volunteer.
- Active member of local Disaster Action Team, focusing on damage assessment.
- Managed statewide logistic operations for hurricane relief in Orlando FL during 2004 hurricane season and in Jacksonville FL during 2016 hurricane season.

Global Citizens Network, St. Paul, MN **1995 and 1998**

- Participated in month long projects to construct health care facilities in two Kenyan villages.

Living Organ Donor, October 2018



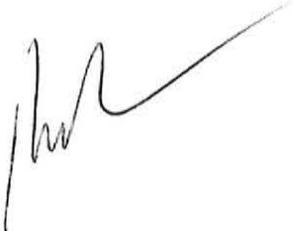
Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271
Fax: (203) 866-9856

Memorandum

To: TTD Commissioners

From: **Kevin Barber – General Manager** 

Date: March 27, 2019

Subject: Revised Language – Proposed Substitute Bill 961

On March 19, 2019, the joint Energy and Technology Committee of the Connecticut General Assembly voted out of committee Proposed Substitute Bill 961. This proposed bill, copy attached, has been revised since the original proposed legislation that was brought before the Commission at the February 11, 2019 Commission Meeting.

Commissioner Goldstein and I will provide a detailed explanation of the bill, changes in the language from the original proposed legislation and the remaining process for this proposed legislation. We will also provide you with an update on other issues affecting CMEEC.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Debra Goldstein	203-252-7214	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Pamela Parkington	203-858-4261	Commissioner			

**Proposed Substitute
Bill No. 961**

LCO No. 6311

**AN ACT CONCERNING THE AUDIT OF MUNICIPAL ELECTRIC
ENERGY COOPERATIVES BY THE AUDITORS OF PUBLIC
ACCOUNTS, THE MUNICIPAL ELECTRIC CONSUMER ADVOCATE
AND RECOMMENDATIONS FROM A MUNICIPAL ELECTRIC ENERGY
COOPERATIVE FORENSIC EXAMINATION.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 2-90 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) The Auditors of Public Accounts shall organize the work of their
4 office in such manner as they deem most economical and efficient and
5 shall determine the scope and frequency of any audit they conduct.

6 (b) Said auditors, with the Comptroller, shall, at least annually and
7 as frequently as they deem necessary, audit the books and accounts of
8 the Treasurer, including, but not limited to, trust funds, as defined in
9 section 3-13c, and certify the results to the Governor. The auditors
10 shall, at least annually and as frequently as they deem necessary, audit
11 the books and accounts of the Comptroller and certify the results to the
12 Governor. They shall examine and prepare certificates of audit with
13 respect to the financial statements contained in the annual reports of
14 the Treasurer and Comptroller, which certificates shall be made part of
15 such annual reports. In carrying out their responsibilities under this
16 section, said auditors may retain independent auditors to assist them.

17 (c) Said auditors shall audit, on a biennial basis if deemed most
18 economical and efficient, or as frequently as they deem necessary, the
19 books and accounts of each officer, department, commission, board

20 and court of the state government, all institutions supported by the
21 state and all public and quasi-public bodies, politic and corporate,
22 created by public or special act of the General Assembly and not
23 required to be audited or subject to reporting requirements, under the
24 provisions of chapter 111. Each such audit may include an examination
25 of performance in order to determine effectiveness in achieving
26 expressed legislative purposes. The auditors shall report their findings
27 and recommendations to the Governor, the State Comptroller and the
28 joint standing committee of the General Assembly having cognizance
29 of matters relating to appropriations and the budgets of state agencies.

30 (d) The Auditors of Public Accounts may enter into such contractual
31 agreements as may be necessary for the discharge of their duties. Any
32 audit or report which is prepared by a person, firm or corporation
33 pursuant to any contract with the Auditors of Public Accounts shall
34 bear the signature of the person primarily responsible for the
35 preparation of such audit or report. As used in this subsection, the
36 term "person" means a natural person.

37 (e) (1) If the Auditors of Public Accounts discover, or if it should
38 come to their knowledge, that any unauthorized, illegal, irregular or
39 unsafe handling or expenditure of state funds or quasi-public agency
40 funds or any breakdown in the safekeeping of any resources of the
41 state or a quasi-public agency has occurred or is contemplated, they
42 shall forthwith report the facts to the Governor, the State Comptroller,
43 the clerk of each house of the General Assembly and the Attorney
44 General, except that if a matter reported to the Auditors of Public
45 Accounts pursuant to section 4-33a is still under investigation by a
46 state or quasi-public agency, the Auditors of Public Accounts may give
47 the agency a reasonable amount of time to conduct such investigation
48 prior to the auditors reporting the matter to said officials. (2) If the
49 Auditors of Public Accounts decide to delay reporting such matter in
50 accordance with subdivision (1) of this subsection, the auditors shall
51 immediately notify the Attorney General of such decision. (3) Any
52 Auditor of Public Accounts neglecting to make the report required
53 under subdivision (1) of this subsection, or any agent of the auditors

54 neglecting to report to the Auditors of Public Accounts any such
55 matter discovered by such agent or coming to such agent's knowledge,
56 shall be fined not more than one hundred dollars or imprisoned not
57 more than six months, or both.

58 (f) All reports issued or made pursuant to this section shall be
59 retained in the offices of the Auditors of Public Accounts for a period
60 of not less than five years. The auditors shall file one copy of each such
61 report with the State Librarian.

62 (g) Each state agency shall keep its accounts in such form and by
63 such methods as to exhibit the facts required by said auditors and, the
64 provisions of any other general statute notwithstanding, shall make all
65 records and accounts available to them or their agents, upon demand.

66 (h) Where there are statutory requirements of confidentiality with
67 regard to such records and accounts or examinations of
68 nongovernmental entities which are maintained by a state agency,
69 such requirements of confidentiality and the penalties for the violation
70 thereof shall apply to the auditors and to their authorized
71 representatives in the same manner and to the same extent as such
72 requirements of confidentiality and penalties apply to such state
73 agency. In addition, the portion of (1) any audit or report prepared by
74 the Auditors of Public Accounts that concerns the internal control
75 structure of a state information system or the identity of an employee
76 who provides information regarding alleged fraud or weaknesses in
77 the control structure of a state agency that may lead to fraud, or (2) any
78 document that may reveal the identity of such employee, shall not be
79 subject to disclosure under the Freedom of Information Act, as defined
80 in section 1-200.

81 (i) Said auditors shall audit, in accordance with the provisions of
82 section 10-91g, the records and accounts of any private provider of
83 special education services, as defined in said section. Any private
84 provider of special education services being audited by said auditors
85 shall provide any information said auditors deem necessary to conduct
86 such audit.

87 (j) Said auditors shall audit, in accordance with the provisions of
88 chapter 101a, the records and accounts of any municipal electric
89 energy cooperative, as defined in said chapter. Any municipal electric
90 energy cooperative being audited by said auditors shall provide any
91 information said auditors deem necessary to conduct such audit.

92 Sec. 2. Subsection (a) of section 7-121f of the general statutes is
93 repealed and the following is substituted in lieu thereof (*Effective from*
94 *passage*):

95 (a) There is established a Municipal Electric Consumer Advocate to
96 act as an independent advocate for consumer interests in all matters
97 which may affect municipal electric energy cooperative consumers,
98 including, but not limited to, electric rates. Costs related to the
99 Municipal Electric Consumer Advocate, including, but not limited to,
100 hourly fees, [and] necessary expenses and fees for consultants hired by
101 the Municipal Electric Consumer Advocate as needed, shall be paid for
102 by all municipal electric energy cooperatives. The annual amount of
103 such costs (1) for such consultants shall not exceed thirty thousand
104 dollars, and (2) for all other fees and expenses that are not for
105 consultants shall not exceed seventy thousand dollars for the first
106 [year] six years and fifty thousand dollars for each year thereafter,
107 unless there is a demonstration of substantial need made by the
108 Municipal Electric Consumer Advocate and approved by the
109 cooperative utility boards of all municipal electric energy cooperatives.

110 Sec. 3. Subsection (h) of section 7-233c of the general statutes is
111 repealed and the following is substituted in lieu thereof (*Effective from*
112 *passage*):

113 (h) A municipal electric energy cooperative shall cause a forensic
114 examination to be conducted by a certified forensic auditor which shall
115 include a review of the revenue and expenditures of a municipal
116 electric energy cooperative for the preceding five years. The auditor
117 shall submit a report that includes a review of whether such municipal
118 electric energy cooperative's operating procedures conform with the
119 provisions of chapter 101a and the bylaws of the municipal electric

120 energy cooperative, and any recommendations for any corrective
121 actions needed to ensure such conformance. The auditor shall not be
122 required to perform a full financial audit of the five-year period or
123 submit an opinion regarding the financial statements or a management
124 letter. The municipal electric energy cooperative shall incorporate any
125 such recommendations for corrective actions into its operating
126 procedures. The municipal electric energy cooperative shall post on its
127 Internet web site and provide to participants such reports not later
128 than seven days after such reports are received by the municipal
129 electric energy cooperative. Each participant shall post on its Internet
130 web site and provide to the municipality in which it operates such
131 reports not later than five days after such reports are received from the
132 municipal electric energy cooperative. Each such municipality shall
133 post on its Internet web site such reports not later than five days after
134 such reports are received from the participant.

135 Sec. 4. Section 7-233c of the general statutes is amended by adding
136 subsection (k) as follows (*Effective from passage*):

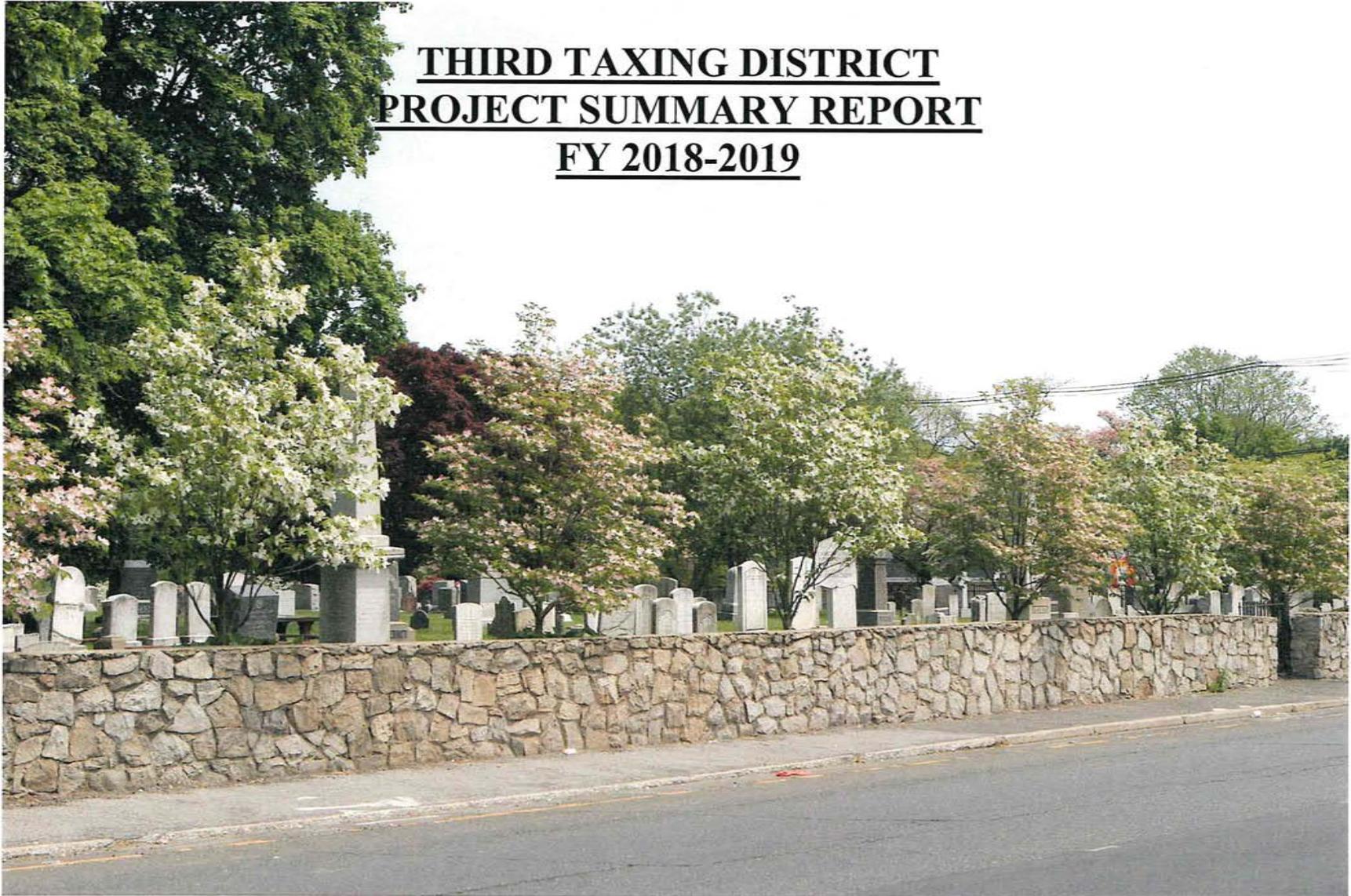
137 (NEW) (k) (1) The Auditors of Public Accounts shall conduct two
138 audits of each municipal electric energy cooperative in the state. (A)
139 On or before October 1, 2020, the Auditors of Public Accounts shall
140 conduct a financial audit and performance audit of each municipal
141 electric energy cooperative in the state. (B) On or before October 1,
142 2023, the Auditors of Public Accounts shall conduct an audit of each
143 municipal electric energy cooperative in the state, provided (i) if the
144 auditors made any recommendations in an audit of a municipal
145 electric energy cooperative conducted pursuant to subparagraph (A) of
146 this subdivision, the auditors may, at their discretion, in the audit
147 conducted pursuant to this subparagraph, only review such
148 recommendations for the same such municipal electric energy
149 cooperative, and (ii) if the auditors did not make any
150 recommendations in an audit of a municipal electric energy
151 cooperative conducted pursuant to subparagraph (A) of this
152 subdivision, the auditors shall conduct a financial audit and
153 performance audit for the same such municipal electric energy

154 cooperative. Nothing in this section shall be interpreted to limit the
155 scope of any audit conducted pursuant to this section if additional
156 information becomes available to the auditors during the course of an
157 audit conducted pursuant to subparagraph (B)(i) of this subdivision.
158 The Auditors of Public Accounts, in accordance with the provisions of
159 section 11-4a, shall report their findings to the joint standing
160 committee of the General Assembly having cognizance of matters
161 relating to energy.

162 (2) On two occasions, once on or before October 1, 2020, and once on
163 or before October 1, 2023, each municipal electric energy cooperative in
164 the state shall remit payment to the state in an amount not less than
165 forty thousand dollars for the costs associated with the audits
166 performed pursuant to subdivision (1) of this subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	2-90
Sec. 2	<i>from passage</i>	7-121f(a)
Sec. 3	<i>from passage</i>	7-233c(h)
Sec. 4	<i>from passage</i>	7-233c

THIRD TAXING DISTRICT
PROJECT SUMMARY REPORT
FY 2018-2019



THIRD TAXING DISTRICT – PROJECT SUMMARY

UPDATED: March 31, 2019

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
1)	A-Base Meter Replacement Program	<ul style="list-style-type: none"> In progress – with Meter Department 	On-Going – until all A-Base meters have been replaced	<ul style="list-style-type: none"> Working with staff to understand the A-Base meter issue and develop a plan. March 2019 – None.
2)	Customer Service/ Management Training Program	<ul style="list-style-type: none"> Training throughout the year based on training opportunities and employee schedules. 	On-Going	<ul style="list-style-type: none"> K Barber attended APPA Annual Conference in June K Barber attended APPA Leadership Workshop
3)	Succession Planning Process	<ul style="list-style-type: none"> Complete with periodic review 	On-Going	
4)	Radio-Read Meter Upgrade	<ul style="list-style-type: none"> Approximately 95% of the system has been completed 	Multi-year program beginning in 2015. Will continue until completed	<ul style="list-style-type: none"> March 2019 – Installed 31 radio-read meters for a total of 3,639 to date or 95% of the system.
5)	Upgrade Fleet Vehicles	<ul style="list-style-type: none"> Purchasing/Leasing Vehicles in accordance with Five-Year fleet replacement schedule. 	On-Going	<ul style="list-style-type: none"> Line truck to be refurbished in FY 2018-19 Digger Derrick truck on order, awaiting delivery
6)	I/T System Modifications	<ul style="list-style-type: none"> On-going to create greater efficiencies wherever possible 	Periodic updates as necessary	<ul style="list-style-type: none"> Upgrades to Microsoft Office and email systems completed in June

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
7)	Conduct Cost of Service/Rate Study with Periodic Updates	<ul style="list-style-type: none"> • Initial rate study conducted in 2013 with results implemented in October 2014. • Update/"Tune-Up" completed in July 2016 • Cost of Service Study on security lighting began in June 2016 • Cost of Service Study to be performed in 2019 	2018 Cost of Service Study - Late fall 2018 – early 2019	<ul style="list-style-type: none"> • Initial discussion held with UFS regarding cost of service study. • Reviewing proposal provided by UFS • UFS Proposal accepted and executed • Staff compiling data requested by UFS • Data provided to UFS
8)	Strategic Planning Process	<ul style="list-style-type: none"> • Commission started a Strategic Planning process in Jan 2019 	<ul style="list-style-type: none"> • Begin in 1st Qtr 2016. • Work continues into 2017 as necessary • Strategic Planning process to begin again in late 2018 – early 2019 	<ul style="list-style-type: none"> • Commission has scheduled the August 20th Commission Meeting for Strategic Planning discussion. Meeting cancelled • Jan 28th meeting scheduled. Dedicated to Strategic Planning • 2nd Meeting held on Feb 25th. List of issues created and categorized. • 3rd meeting scheduled for Apr. 15th
9)	Public Relations/ Marketing Program	<ul style="list-style-type: none"> • Greyskye is TTD's public relations / marketing firm 	On-going	<ul style="list-style-type: none"> • Monthly meetings have been held with Greyskye to discuss the following: <ul style="list-style-type: none"> Upcomings Events Newsletter Website updates Press Releases

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
10)	Substation Upgrades and Improvements	<ul style="list-style-type: none"> Projects on-going in all substations to upgrade / maintain compliance with CONVEX / FERC requirements 	T3 Transformer Replacement – Nov 2017 – Spring 2019	<ul style="list-style-type: none"> T3 transformer replacement in progress, transformer has been ordered. Old T3 transformer has been taken out of service. Old transformer successfully removed on April 16th. Transformer manufacturer notified TTD on 4/30/18 of a manufacturing delay. TTD is working to develop an understanding of the delay and the effect on the project schedule. Witness testing scheduled for June 14-15, 2018. Witness test rescheduled for July 16-17, 2018 due to a factory delay. T3 Transformer passed the witness test. T3 Transformer delivered on July 31st T3 Transformer – Multi-Ratio CT failed test TTD in communication with ABB on resolution to the CT problem Issue resolved with ABB, repairs to CT will be scheduled Repairs made to CT on Jan 31st

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
	18 Rowan Street Renovation	<ul style="list-style-type: none"> • Property Acquired, house demolished and lot repaved • Final step is to site a material storage facility on the site 	Summer of 2018	<ul style="list-style-type: none"> • Since May 2017, the CAM Application was submitted. • Met with Gill & Gill to review project and develop bid specs • Bid packages being developed and will be available in January. • Revised project schedule being developed. • Bids received from 4 companies. Price exceeded expectations. Value engineering recommendations were requested from the bidders. • Review of bids and valued engineering taking place. • Contractor selected and approved by Commission on March 5th • Contract is being reviewed by attorneys • Contract signed • Meeting with Contractor and Gil & Gil held on June 7th • Monthly status meetings planned • Project submittals being reviewed and approved by TTD and Gil & Gil • Contractor in the process of obtaining building permit from city • Building Permit issued • Site work began on Jan 2nd • Building delivery scheduled for Feb 28th • Excavation began on Mar 25th

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
12)	<u>MISCELLANEOUS</u> <ul style="list-style-type: none"> • Norden Generators 	Periodic testing for “Black Start” backup to the Norden facility and run into the ISO LFR Market	On-going	<ul style="list-style-type: none"> • Received a Consent Order from CT DEEP regarding stack testing issue from 2013. Commission addressed the issue at the June 25th Commission meeting. • Consent order civil penalty has been paid and accepted by CT DEEP.
	<ul style="list-style-type: none"> • Solar Projects 	Potential projects discussed with residential and commercial customers	On-going	<ul style="list-style-type: none"> • Staff continues to work with customers interested in pursuing solar projects in TTD’s service territory.
	<ul style="list-style-type: none"> • Commercial Customer Visits 	On-going as schedules permit	Throughout 2018	<ul style="list-style-type: none"> • Met with owner of 25 Van Zant Street • Will schedule visits with customers throughout the coming year • Met with Dooney & Bourke
	<ul style="list-style-type: none"> • Economic Development Initiatives 	On-going meetings with Elizabeth Stocker, the City of Norwalk’s Economic Development Director and Laoise King, City of Norwalk’s Chief of Staff	Throughout 2018	<ul style="list-style-type: none"> • GGP – not proceeding with second service to mall. • Elizabeth Stocker, no longer with the city. Will determine the next appropriate steps.

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
13)	State (CT DOT) Bridge Projects	Initial letter from CT DOT to TTD issued in March 2016. Regular updates have been received from CT DOT / Parsons Brinkerhoff as information is required	Apr 2019- Sep 2024	<ul style="list-style-type: none"> • May 2017 – Continued to work with CT DOT officials on the various bridge projects through attendance at scheduled meetings, etc. Several of these projects are reaching the 30% design/development phase, which triggers additional meetings and coordination efforts. • Requested and received from the State of CT the current listing of properties that are being acquired for the projects. • Requested updated list of properties being acquired from the State of CT following the redesign/change to the location of the Fort Point St RR Bridge. • Received information from the State that no additional full acquisitions are occurring. Re-requested a list of properties from the State. • Received and forwarded to the Commission the revised listing of properties affected by the state projects. • Received the 60% project submissions from the State of CT. TTD reviewing the submissions and meeting with State to review.
14)	LED Flood/Security Light Upgrade	On-going until completed	To be finalized in 2018	<ul style="list-style-type: none"> • 99% of the security lights have been upgraded to LED.

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
15)	Verizon Small Cell Antenna Project/Co-Location Equipment Attachments	<ul style="list-style-type: none"> • Verizon request to attach “Small Cell Antennas” on certain TTD poles. We anticipate they will attach to three to five poles in the system. • CMEEC Legal is developing a “Master Lease Agreement” on behalf of the MEU’s statewide outlining the terms and conditions for attachment 	In process – finalizing in the next 30-60 days	<ul style="list-style-type: none"> • May 2017 – Final comments have been received from all the Municipals on a draft of a Master Lease Agreement with Verizon. A “Lease Rate” is part of this agreement, similar to what we charge Cablevision for a pole attachment rate, and will result in some small incremental revenue to TTD on an annual basis (less than \$1,000/year) • Master Lease Agreement has been finalized by CMEEC Attorney and Verizon. Other MEUs have executed the agreement with Verizon • Verizon interested in attaching to multiple TTD poles • Attachment rate needs to be developed • Received comments back from vendor on attachment agreement. Reviewing comments
16)	Commercial Lighting Retrofits	On-going	On-going	<ul style="list-style-type: none"> • Staff reviewing the forms used for the lighting projects, possible changes to be implemented. • Discussions with Dooney and Bourke on possible lighting retrofit project. • Lighting project completed at the Marvin • Dooney & Bourke project in progress, scheduled to be complete week of Mar 1st. • Dooney & Bourke completed lighting retrofit, incentive paid to D&B

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
17)	Veteran's Park Ice Rink		Fall – Winter months	<ul style="list-style-type: none"> • Staff to monitor status of rink installation • Rinks will not be returning to Vet's Park • Letter sent to rinks owner to determine status of rinks • Received reply from owner indicating business has been closed • Forwarded letter to attorney for review
18)	Tree Trimming	On-going	<p>Tree trimming will typically occur during the winter months.</p> <p>Spot trimming will occur on an as needed basis during the spring, summer and fall.</p>	<ul style="list-style-type: none"> • Streets trimmed in current fiscal year: Emmerson St, Myrtle St Ext, various other spot locations • Streets/areas planned for trimming: Roland St, Howard Ave, Triangle St, Winfield – Triangle to Duck, Strawberry @Winfield