

FINAL

THIRD TAXING DISTRICT
of the City of Norwalk
Special Commission Meeting
January 30, 2023

ATTENDANCE: Commissioners: Johnnie Mae Weldon, Chair; Pamela Parkington;
Michele Sweeney

STAFF: Kevin Barber, General Manager;
Ron Scofield, Assistant General Manager/District Clerk

OTHERS: Peter Johnson, CMEEC Ratepayer Representative
Assistant Chief Mark Conte, Norwalk Fire Department
Sylvia Archibald, Director of the East Norwalk Library

CALL TO ORDER

Commissioner Weldon called the meeting to order at 6:30 p.m. A quorum was present.

PUBLIC COMMENT

Ms. Archibald spoke to the Commission about the library's parking lot being used by Auto Repair Specialists for their overflow of cars. Ms. Archibald spoke to the owner of the business and he told her that he had made an arrangement with Third Taxing District to park his overflow on the library property.

The Commission responded that there was no such arrangement. They suggested that Ms. Archibald write a letter to the owner about the situation and ask him not to park the overflow of vehicles on the property. If the situation cannot be resolved, the Commission/staff will assist in the matter.

MINUTES OF MEETING

December 20, 2022 Regular Meeting

**** COMMISSIONER PARKINGTON MOVED TO APPROVE THE MINUTES OF
DECEMBER 20, 2022 REGULAR MEETING.**

****COMMISSIONER SWEENEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION/ANALYSIS OF FINANCIAL STATEMENTS/KEY PERFORMANCE INDICATORS

Mr. Barber reviewed the Financial Highlights with the Commission for December 2022. Total Income is \$5,512,471 versus \$4,750,067 for last year, a difference of 16.05%. Total Expense is \$6,293,720 versus \$5,012,173 for last year, a difference of 25.57%. Net Income before Rate Stabilization is (\$149,405) versus (\$162,788) from last year or a difference of 8%. Net Income after Rate Stabilization is \$394,812 versus \$(13,019) for last year, a difference of 3,133%.

Total cash balance on hand is \$8,859,257. Of this, the Capital Improvement Fund is \$2,400,390. Current outstanding principal balance with CMEEC is \$3,279,284. Current Fiscal Year Capital additions to date is \$211,118.

Mr. Barber reviewed the P&L for the Electric Department. Income for the month of December 2022 is \$944,776.27. Purchased Power (555-00) for the month of December 2022 is \$596,377.99 and Purchased Power for Cervalis is \$84,579.82. Operating Expenses for the month is \$397,501.53.

The P&L for the District continues to be in good shape. Parks Maintenance is over budget due to timing issues of invoices submitted by the landscaper.

KPI's: They remain in good shape.

RSF: The current balance of the RSF (Rate Stabilization Fund) is \$4,429,097 and continues to be monitored.

Accounts Receivable: Overall, TTD is doing very well. The greater than 90 days open balance is \$39,790 which is 7.9% of the overall balance.

LIBRARY BUDGET PRESENTATION

Mr. Barber presented the East Norwalk Library's budget request for the fiscal year 2023-2024. He noted that the request of \$170,000 is the same amount as last year. The upcoming budget does not include the TTD Matching Grant as in previous years. This program was ended by the Commission beginning with FY23-24.

Mr. Barber also presented the Analysis of the East Norwalk Library Association and noted that over the past year the library has used some of their cash reserves.

Ms. Archibald spoke to the Commission about the downstairs hall at the library and its condition. She felt if the hall was in better condition (floors and walls), the library would be able to rent it

FINAL

out more frequently and possibly raise the cost of the rental in order to generate more income. The Commission will visit the library at a future date to determine what would need to be done.

Ms. Archibald also said that the furnace at the library has been a recent issue as well. TTD staff will handle the situation.

FIREHOUSE CAPITAL BUDGET REQUEST(S)

Mr. Barber reviewed the request from the Norwalk Fire Department that was presented at the December 20, 2022 meeting with the Commission. At that meeting, Mr. Barber asked the Commission to hold off on formally recommending the project to the electors to allow staff time to perform an analysis of the impact of the project on the ratepayers of the District.

Under normal circumstances, funding required to support the District budget would come from the Electric Department operating budget. However, in fiscal year 2022-2023, the District approved a permanent defined easement for a portion of District property at 213 East Avenue with the State of Connecticut Department of Transportation. As a result of this easement, the District received compensation in the amount of \$560,000.

Mr. Barber stated that it is the recommendation of staff to utilize the proceeds from the easement for the capital project at the East Norwalk Firehouse and the project be included in the District budget and recommend for approval at the District's Annual Meeting on March 1, 2023.

At the December 20, 2022 meeting, the Commission requested Assistant Fire Chief Mark Conte to please compile any other capital budget items and submit them for any additional capital project work needed for the Firehouse. Assistant Fire Chief Mark Conte addressed the Commission and presented an additional capital budget item to repair the foundation of the building in the amount of \$12,500. The work entails cleaning the existing interior stone foundation wall of all loose mortar and stones and refasten the missing stones with a cement-based mortar. This budget request was received after the draft District Budget was compiled.

After a discussion, the Commission agreed to include up to \$400,000 in the District Budget for the projects at the East Norwalk Firehouse, pending approval of the District Budget at the District's Annual Meeting. Any funds beyond that point (\$400,000) will be the responsibility of the City of Norwalk.

ROGER LUDLOW PARK UPDATE

Mr. Barber and Commissioner Parkington reviewed the current concept for the Roger Ludlow Park improvement project with the Commission. The plan has not been finalized. The Committee is asking the Commission for their comments and/or suggestions to take into consideration.

FINAL

The second phase of the plan has a capital budget request of \$150,000 and has been included in this year's District Budget. It includes a new sitting area with benches, new sidewalks, new wooden guardrails and two new trees adjacent to the sitting area.

It is staff's recommendation to utilize the proceeds of the easement granted (\$560,000) to the State of Connecticut Department of Transportation for a portion of District property at 213 East Avenue.

After a discussion, the Commission agreed to include the \$150,000 for the next phase of Ludlow Park in the District Budget.

DISTRICT BUDGET PRESENTATION

Mr. Barber reviewed the proposed District Budget to the Commission. He went through each section and highlighted the changes over last year's budget. The total funding for the upcoming District Budget is \$850,957 and the Transfer from Electric request is \$815,000.

Highlights included:

- Firehouse Rental Income increased per the lease with the City of Norwalk.
- Library – The Contingent Matching Funds Program ends in FY2022-2023.
- Park Improvements – Next phase of the Roger Ludlow Park.
- Structural improvements to the apparatus floor required for new apparatus.

**** COMMISSIONER PARKINGTON MOVED TO RECOMMEND THE PROPOSED DISTRICT BUDGET TO THE ELECTORS FOR APPROVAL AT THE ANNUAL MEETING TO BE HELD ON WEDNESDAY, MARCH 1, 2023.**

**** COMMISSIONER SWEENEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

ANNUAL MEETING DISCUSSION

The Annual Meeting will be held on Wednesday, March 1, 2023 at the Norwalk Inn & Conference Center at 7:00 p.m. Staff is currently preparing the presentation(s) for the meeting. Mr. Barber asked the Commission if they had any questions or concerns about the meeting. The Commission was fully on board with the upcoming meeting.

FINAL

GENERAL MANAGER'S EPORT

Electric Rate Comparison

Mr. Barber presented an updated rate comparison spreadsheet to the Commission that compares TTD's electric rate to those from Eversource, South Norwalk Electric and Water (SNEW) and United Illuminating (UI).

TTD's residential electric rates are 48% below Eversource and 47% below United Illuminating which translates into approximately \$125 less than Eversource and \$120 less than United Illuminating on a monthly basis. The Eversource and UI rates include the recent increases to the standard Generation Service Charge.

For commercial rates, TTD is approximately 30% lower than Eversource and 28% lower than United Illuminating.

When comparing TTD rates with SNEW, TTD's rates are virtually the same for both residential and commercial customers.

EV Charger – E. Norwalk Library

The current EV Chargers located at the East Norwalk Library are approximately 8-9 years old. They were purchased with a grant from the State of Connecticut with the provision that they keep them "free of charge" for one year. While these Level 2 Chargers have served their purpose, being that they are much older, it takes longer for a customer to charge their vehicle and are more difficult to repair.

Mr. Barber is looking into replacing the chargers with newer models that would take less time to charge a vehicle. The new chargers would also have the ability to charge users for charging their electric vehicles. He is working Willow Brook Energy Partners and obtaining bids. He will report back to the Commission in the near future.

**** COMMISSIONER SWEENEY MOVED TO ADJOURN.**
**** COMMISSIONER PARKINGTON SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:01 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

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of the City of Norwalk
January 30, 2023