

**SECOND TAXING DISTRICT COMMISSIONERS**

Regular Meeting Minutes

June 19, 2018

Present:	David Westmoreland Maria Borges-Lopez Harold Bonnet Mary Geake Mary Mann Sandra Stokes Martha Wooten-Dumas	Chairperson Vice Chairperson
Absent:	None	
Also Present:	Paul Yatcko Lisa Roland Frank Murphy, Esq. Kara Murphy, Esq.	General Manager District Clerk Tierney, Zullo, Flaherty & Murphy Tierney, Zullo, Flaherty & Murphy
Public Present:	Jim Delgreco Rebecca Schuetz	Elector, Second Taxing District Reporter, <i>The Norwalk Hour</i>

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*The meeting was recorded up to Executive Session.*

**Call To Order:**

Commissioner Westmoreland called the Regular Meeting of The Second Taxing District to order at 7:00 p.m. on Tuesday, June 19, 2018. The meeting was held at South Norwalk Electric and Water, One State Street, Norwalk, Connecticut.

1. Acceptance of the Minutes:

1.1 Regular Meeting Minutes of May 15, 2018

Commissioner Wooten-Dumas moved to accept the minutes. Commissioner Borges-Lopez seconded.

**Minutes were approved unanimously.**

**(2018-06-19-1.1)**

*Public Participation*

*No members of the public were present.*

**REGULAR AGENDA**

2. Water Rate Increase – Public Hearing

Paul Yatcko presented a summary of the organization’s water side financials previously discussed during the budget approval process in March 2018. The 5%

water rate increase implements the first of two 5% increases approved by the electors at the budget meeting of March 20th.

For the average SNEW customer consuming 6,000 gallons a month, the current increase results in \$1.50 monthly from \$30.07 to \$31.57. No increases have occurred since November 2014, at which time an increase of 2.5% was implemented.

The 5% increase will result in an increase of \$430,000 in the water reserve fund.

Implementation of the recommended 5% increase will keep SNEW water rates in the middle of a panel of water companies located within 25 miles; the average monthly bill for the panel companies is \$37.44.

Public notification, as required by SNEW policy, was performed via print ads in The Norwalk Hour and Wilton Villager, postings on the company website, and mass email to customers. Tonight's meeting is the first of two public hearings soliciting public input. The second is scheduled for July 17<sup>th</sup>. A final decision will be made by July 24<sup>th</sup>, and the new rate is expected to become effective around September 1<sup>st</sup>, pending programming changes to SNEW's billing system.

Commissioner Stokes moved to open the public hearing regarding the rate increase. Commissioner Mann seconded.

The hearing opened with Elector Jim DelGreco. In support of maintaining "good, clean water" Jim DelGreco spoke in favor of the increase, and also asked the Commission to consider small annual increases going forward. He felt small increases over time were more favorable rather than larger increases every few years.

No other electors were present.

Commissioner Geake motioned to continue the public hearing on July 17<sup>th</sup>. Commissioner Wooten-Dumas seconded.

**Continuation of the public hearing to July 17, 2018, was unanimously agreed upon.**

**(2018-06-19-2)**

3. State Clean Drinking Water Fee

An additional water rate adjustment is being proposed in response to Section 676(c) of Public Act 17-2 JSS, which was signed into law in October 2017.

The Act requires the Department of Public Health (DPH) to collect an assessment from each water company that owns a Community Public Water system. The assessment is based upon the classification of the owned system and the number

of service connections. Under the Act, SNEW is being assessed \$2.57 per service connection. With 9,272 connections, the total assessment amounts to \$23,829 for the coming fiscal year and is payable in two equal installments in January and May of 2019. This fee was not taken into account during the budgeting process in March 2018. Thus, SNEW management is proposing a flat rate of \$0.21417 per month per customer beginning concurrently with the proposed 5% rate increase already discussed.

Commissioners Westmoreland and Geake asked what the assessment dollars would be used for. Paul Yatcko was not certain. He believed it could possibly be a way for the DPH to obtain additional funding.

Commissioner Stokes asked if it were possible for SNEW to pay the fee from its reserves, thus sparing customers from an additional charge. Paul Yatcko replied that at the end of the day the water fund reserves were already dangerously low.

Commissioner Borges-Lopez moved to approve a resolution allowing collection of the assessment from water customers. Commissioner Wooten-Dumas seconded.

The majority of the Commissioners voted in favor of the resolution, with Commissioner Stokes opposing.

**The resolution to allow collection of the assessment from water customers passed 6-1. (2018-06-19-3)**

4. Solar Policy – Changes

In June 2017, the Second Taxing District revised its solar photovoltaic policy with a rider aimed at compensating customers generating excess power at a rate reflective of SNEW's avoided cost of wholesale power. However, in contrast to statewide utility practices, SNEW has not up to this date offered an incentive/rebate to its customers for the cost of the installation of such systems. In order to be consistent with general utility practices, SNEW management is proposing to offer its customers a modest incentive in the amount of \$0.487 per installed watt of solar generation up to a maximum of 10 kilowatts, translating into a maximum of \$4870 per customer installation.

Only seven customers have installed solar panel systems to date and management doesn't expect a great demand in response to the new incentive program. Funding for the incentive program will come from the Conservation & Load Management Fund. A resolution is required in order to revise SNEW's Electric Tariff.

Commissioner Stokes asked if businesses would be eligible for the rebate, and if a two tier policy could be implemented whereby residents and businesses would receive rebates in different amounts.

Paul Yatcko replied that he preferred to keep things simple and that the rebates would be limited to a maximum of \$4870 regardless of customer type.

Commissioner Borges-Lopez moved to accept the resolution. Commissioner Wooten-Dumas seconded.

The majority of the Commissioners voted in favor of the resolution, with Commissioner Stokes abstaining.

**The resolution to revise SNEW's Electric Tariff passed 6-0 with one abstention. (2018-06-19-4)**

5. Management Update

*Mall:*

Paul Yatcko provided an update on the Mall construction. Progress is being made. Three of eleven transformers have been installed, and two of these have been energized although not loaded.

Rate pricing options are on hold as GGP representatives are still mulling over information obtained from CMEEC.

The Memorandum of Understanding Regarding Contribution in Aid of Construction is expected to be completed next week.

*Electric outages:*

*May 27:* A splice failure occurred in a manhole 76 at Day & Raymond; 314 customers were out of service, with most back in 1.25 hours, and the remainder back in 5.5 hours.

*June 4:* An underground submersible transformer failure occurred in manhole 61 at Washington Street in front of the SoNo Pearl. Originally 18 customers were out of service, with an additional 162 intentionally taken out in order to make repairs. The 162 were restored in 3.8 hours, but the original 18 were out of service for 14.8 hours. The delay was due to the need to remove contaminated water from within the vault and our preferred environmental contractor was not available. A second contractor took some time to arrive and then the tank wasn't large enough to contain all of the water. A second tank was needed to remove the remaining water before linemen were able to enter to replace the transformer.

*June 14:* Bird contact resulted in 395 out of service, and power was restored in a little over 1 hour.

*June 16:* A side tap failure, suspected to have resulted from bird contact, resulted in 51 customers out of service for 1.25 hours.

*June 17:* At Flax Hill Road, bird contact took out 2 buildings for about 45 minutes while cutout was re-fused.

A second outage occurred on June 17th. Manhole 91 on Monroe Street was affected. Another submersible transformer failed. 257 customers were out of service of which 206 were restored after 1.8 hours; another 45 were restored within another ½ hour, and the remaining 6 were out for 18 hours.

Line and Maintenance & Construction crews did a great job under very difficult conditions. They worked long hours in hot weather. M&C tackled the pavement over the vault, and then the vault needed to be pumped out and power washed clean before linemen could enter. Paul Yatcko commented how well electric and water departments worked together to get the fix done.

*June 18:* Overhead transformer failure in the area of Laura Street took out 26 customers for 4 hours.

Paul Yatcko commended the work done by both the line and maintenance and construction crews. He is proud of them and how well the organization worked together to get all these repairs done.

In addition to all the outage repairs, there has been a very unusual water repair going on. A break in the 800 foot water main crossing the river and supplying East Norwalk was discovered. The piping runs across the river from the Maritime Center to Liberty Place. Divers were hired to access the situation. It was determined that a repair in place was not feasible and a creative repair solution called 'slip lining' was conducted instead. Essentially, a smaller 8-inch diameter pipe was inserted within the damaged main. The full length of slip lining, made of HDPE with a wall thickness of 1-inch, was assembled by melding together smaller pieces. The ends were heated, pushed together to fuse and then allowed to cool. The entire length was pulled through starting around 10 p.m. last night and completed this morning. Mechanical connectors will need to be installed at each end, and the lining flushed and disinfected before putting the line back in service. The work is anticipated to be completed by the end of the week. Six hundred customers in east Norwalk were affected and have been getting their water from 1<sup>st</sup> district, which SNEW is paying for.

Paul Yatcko is very proud of the work the water department performed in getting this repair completed from start to finish including assessing the situation, evaluating potential solutions, obtaining materials and hiring the right contractors. An incredible amount of ingenuity and planning were involved.

### **EXECUTIVE SESSION**

Strategy & Negotiations Involving Collective Bargaining

Commissioner Geake motioned to enter Executive Session at 7:37 p.m. Commissioner Borger-Lopez seconded. All Commissioners, Attorneys Kara Murphy and Frank Murphy, Paul Yatcko and Lisa Roland were present in Executive Session.

*This session was closed to the public and was not recorded.*

Commissioner Stokes moved to exit Executive Session at 8:45 p.m. Commissioner Borges-Lopez seconded.

No action was taken as a result of discussions.

**Adjournment**

Commissioner Geake moved to adjourn. Commissioner Mann seconded.

*The meeting adjourned at 8:46 p.m.*

Attest:

Lisa G. Roland  
District Clerk