

SECOND TAXING DISTRICT COMMISSIONERS

Regular Meeting Minutes
September 17, 2019

Present:	David Westmoreland Maria Borges-Lopez Harold Bonnet Robert Burgess Mary Mann Sandra Stokes	Chairperson Vice Chairperson
Absent:	Martha Wooten-Dumas	
Also Present:	Paul Yatcko Lisa Roland Eric Strom Mike Sutton	General Manager District Clerk Director of Customer Care Benefit Planning Services
Public Present:	None	

The meeting was recorded in its entirety.

Call To Order:

Commissioner Westmoreland called the Regular Meeting of The Second Taxing District to order at 7:00 p.m. on Tuesday, September 17, 2019. 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 July 16, 2019.

Commissioner Borges-Lopez moved to accept the minutes. Commissioner Burgess seconded.

Minutes were approved unanimously.

(2019-09-17-1.1)

Public Participation

No members of the public were present.

CONSENT AGENDA

2. Electric Write-Offs – April 1, 2019 thru June 30, 2019

Commissioner Stokes moved to accept the write-offs. Commissioner Borges-Lopez seconded.

REGULAR AGENDA

3. Insurance Marketplace Update

Mike Sutton presented the update.

Renewal quotes from Mutual of Omaha and Guardian on life, voluntary life, long-term disability and short-term disability were essentially flat. Nevertheless, an RFP (request for proposal) was prepared and distributed, with mostly declinations received in return because of the under 65 retiree population. However, a competitive quote was received from The Standard. Consolidating benefits under one carrier and taking into account a preferred rate relationship with Benefit Planning Services resulted in an approximate 18% reduction (or \$9200) overall (excluding voluntary life policies). The rates on the voluntary life insurance are below by about 12%.

The only difference in life insurance coverage between The Standard and Guardian is a guaranteed issue amount cap of \$200k, versus \$300k cap, respectively, for the under 65 retiree group. However, since there are only two retirees at the \$200,000 coverage level and they would be grandfathered on the move, the change in carrier is not an issue for those currently covered. The cap may, however, affect coverage for future employees.

Lisa Roland asked if the change to a new carrier were made, could long-term disability coverage be opened up to current employees. With the current carrier, long-term disability enrollment is only possible for the first 30 days of employment. The response was that long-term disability coverage under a new carrier could be set up with an annual open enrollment period. Both long-term and short-term disability coverages are voluntary coverages paid by the employee.

Mike Sutton added that a census enrollment could be done and everyone switched over to the new carrier in time for the renewal date of October 1st.

Commissioner Borges-Lopez moved to switch to The Standard as the new carrier. Commissioner Robert Burgess seconded.

The motion to move to The Standard for long-term, short-term, and life insurance was approved. (2019-09-17-3)

Mike Sutton continued with the outlook on medical insurance coverage for 2020. He provided some background information. The District moved to ConnectiCare in 2018 after Anthem came back with renewal coverage at a 26% increase over 2017, while ConnectiCare came in at a 3.5% savings with the slightly higher deductible of \$3500 (versus Anthem's \$3000 in 2017). For 2019, ConnectiCare originally came in at an 8% increase amidst very competitive bids from both UnitedHealthCare/Oxford and Harvard Pilgrim. Due to the competitive bids, Mike

Sutton was able to negotiate a no increase renewal with ConnectiCare in 2019. For 2020, although very difficult to predict for the smaller employers, Mr. Sutton expects renewal from ConnectiCare to come in at no greater than an 8% increase, against anticipated very aggressive bidding by UnitedHealthCare/Oxford which could help to drive the ConnectiCare renewal rate down.

Another way to go is with level-funded plans, essentially self-funded plans, which are becoming increasingly popular, especially amongst the larger employers. However, plans can be written for the small employer and include stop loss insurance coverage, providing against catastrophic high cost claims. The premium would be locked in for the year regardless of the number and/or amount of claims. Underwriting would take several factors into account including projected claims for the group, stop loss protection, administrative services, and terminal reserve (refers to any claims the company would be liable for after the twelve month period ends). These plans are increasingly popular because if claims run better than projected (i.e. are less), a portion of the surplus is refunded. Additionally, self-funded plans save on state taxes and on the 3% ACA (Affordable Care Act) tax which is set to go into effect in 2020. Self-funded plans do not have to be ACA compliant and as such some coverage may be lost in a self-funded plan.

Another step beyond self-insurance are “captives” which are relatively new to the medical insurance market. A captive, if you can get into one, consists of a group of employers joining together in a self-funded plan and thus spreading claims risk over a larger group.

Mike Sutton will be looking at various options and will report back on his recommendations in November.

(Mike Sutton left the meeting at 7:18 pm)

4. Legal Counsel Annual Retainer – Fiscal Year 2019 – 2020

Paul Yatcko presented the new retainer proposal from Tierney, Zullo, Flaherty & Murphy. The hourly rate is being increased from \$275 to \$300. The retainer amount remains at \$10,000. Paul Yatcko recommended remaining with the firm as the rates are reasonable, and the firm knows and has served the District well for over 20 years.

Commissioner Burgess moved to remain with the firm of Tierney, Zullo, Flaherty & Murphy and to accept the terms of the retainer. Commissioner Borges-Lopez seconded.

The retainer was accepted unanimously.

(2019-09-17-4)

5. Management Update

Paul Yatcko presented.

Reservoirs:

The reservoirs are at 72.7% of capacity. Storage is at 918 million gallons which compares favorably with the 15 year average of 890 million gallons typical for this time of year.

Mall:

All eleven transformers have been installed and energized. A feed has been installed to the street lights along West Avenue. There is still some length of cable that needs to be run, but is awaiting the installation of a vault and the repair of damaged conduit. One transformer is on a temporary feed and needs to be put on a permanent feed. Some switches are left to be installed, one of which is a 6-way. Although delivery of the switch has been delayed, the system can run without it. The switch will allow for automatic switchovers in the case of a fault. The switchovers can be done manually. The District is not holding up any work.

Nordstrom's intends to open October 11th, while Bloomingdales is holding two hiring events in order to support a November opening.

Water Main breaks - 3 over the last two months.

July 18th: Chatham Lane, affecting 18 customers for 5 hours.

August 10th: Dock Road, affecting 34 services for 7 hours.

Last week: Shagbark Road at Wilson Avenue, affecting 1 customer for 8 hours.

Electric outages - 16 outages over the last two months. The more significant ones were:

August 8th: Blown cutout fuse resulting from bird contact on Grove St, Monterey Pl, & Woodward Ave affecting 76 customers for 34 minutes.

August 19th: 619 customers out of service for 56 minutes due to storm.

August 20th: blown cutout fuse on Merritt Pl affecting 171 customers for 34 minutes.

August 21st: Bird contact on overhead system caused a blown interrupter down in a manhole on Hanford Pl and Water St affecting 20 customers for 2 hours 20 minutes.

Staffing:

Currently attempting to fill Apprentice Line worker position after attempting to fill Journeyman Line worker position did not work out. There were no qualified candidates for Journeyman but several for Apprentice.

PFAS:

The potential presence of PFAS, or perfluoroalkyl and polyfluoroalkyl substances,

in Connecticut drinking water has been reported in the news. The substances are manmade and present in many products such as finishes on fabrics, waterproof garments, cookware, food packaging, and fire-fighting foam as just some examples. The substances do not biodegrade quickly, thus remaining in the environment for a very long time. PFAS can find its way into ground water, affecting water supply drawn from well fields. Studies in lab animals have shown detrimental physiological health effects. SNEW began testing for these substances in 2014, the results of which were non-detectable with the testing capabilities available at that time. In late 2018 the Connecticut Department of Public Health required all public water systems to conduct a comprehensive watershed assessment which included physically visiting with and interviewing all fire departments, identifying any gas station or car washes – or other known sources of PFAS contamination such as airports or manufacturing, (of which SNEW found none). SNEW does not own or use any well water, we rely on four surface reservoirs in Wilton and New Canaan. In light of recent attention on PFAS and advanced testing technology, SNEW has completed analysis in August 2019 for six related compounds. These tests included PFAS, PFOA, PFNA, PFHXS and PFHPA- all of which came back non-detected with the exception of PFOA which returned a barely detectable .003 ppb (ug/l), or three parts per trillion. Detection limits for PFOA (the least amount the laboratory can detect) are .002 ppb (ug/l) -two parts per trillion. The USEPA advisory level for PFOA is .070 ppb (ug/l), or seventy parts per trillion. There is no regulated action level for these compounds.

Adjournment

Commissioner Borges-Lopez moved to adjourn. Commissioner Burgess seconded.

The meeting adjourned at 7:39 p.m.

Attest:

Lisa G. Roland
District Clerk