

**SECOND TAXING DISTRICT COMMISSIONERS**

Regular Meeting Minutes  
October 15, 2013

Present:	Mary Burgess Maria Borges-Lopez Mary Geake Mary Mann Cèsar Ramirez David Westmoreland Martha Wooten-Dumas	Chairperson Vice Chairperson  Arrived at 7:25 p.m.
Also Present:	John M. Hiscock Lisa Roland Frank Zullo	General Manager District Clerk Tierney, Zullo, Flaherty & Murphy
Public Present:	Gary Marmanides	

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**Call To Order:**

Commissioner Mary Burgess called the Regular Meeting of The Second Taxing District Commissioners to order at 7:07 p.m. on Tuesday, October 15, 2013. The meeting was held at South Norwalk Electric and Water, One State Street, Norwalk, Connecticut.

**Acceptance of the Minutes:**

Commissioner Burgess: "So, I will call the Second Taxing District Commissioners' meeting to order, October 15, 2013 at 7:07 p.m. And I need a motion for Acceptances of the Minutes of September 24<sup>th</sup>."

Commissioner Westmoreland: "So moved."

Commissioner Burgess: "Is there a second?"

Commissioner Geake: "I will second them."

Commissioner Burgess: "Any discussion? All in favor?"

Commissioners Unanimously: "Aye."

Commissioner Burgess: "Opposed?"

Commissioner Borges-Lopez: "I'm an abstention."

Commissioner Burgess: "Abstention, yes. One abstention, got that? Alright, Public Participation, sir, if you would like to speak?"

**Public Participation:**

Mr. Marmanides: “Yes, I would like to speak. I have a concern because I have been getting shut-off notices. I have a wife who is a cancer patient. She has numerous operations. She recently had three operations, chemo therapy and radiation and so on.”

Commissioner Geake: “Excuse me sir. Could you give us your name and your address for the record please?”

Mr. Marmanides: “Yes my name is Gary John Marmanides and I live at 23 Allview Avenue in South Norwalk.”

Commissioner Geake: “Thank you sir.”

Mr. Marmanides: “Can I continue speaking?”

Commissioner Burgess: “Yes.”

Mr. Marmanides: “You will have to excuse me, my English is...”

John Hiscock: “Madam Chairman. I don’t wish to interrupt the public participant however, he is speaking with regard to his own personal account and he, by speaking here this evening, may preclude his ability to appeal to the Commission through the standard process and I am going to defer to counsel about this issue. This has been an ongoing account issue and we understand the circumstances, but if this is an appeal for any relief to the Commission it is an inappropriate venue and also if he goes through and provides significant amounts of information, I don’t know how it will affect a formal appeal.”

Attorney Zullo: “Well, I don’t know, has he gone through the process with you people to check...?”

John Hiscock: “We have gone through our internal process and the only thing left would be an appeal to the Commission as far as I know.”

Attorney Zullo: “But this is not an appeal to the Commission so this is improper at this time?”

John Hiscock: “I don’t know.”

Attorney Zullo: “Well, I would suspect that it is. If he hasn’t filed for the appeal and he is just coming in cold turkey so to speak. Do you understand that if you go forward tonight as an appeal you will probably preclude your right to appeal later on to the Commission?”

Mr. Marmanides: “You are the ex-mayor Mr. Zullo, right?”

Attorney Zullo: “That is correct.”

Mr. Marmanides: "Mr. Zullo, I remember back in 1967 I used to take pictures as a second job, but anyway..."

Attorney Zullo: "Let's not confuse the issue even more."

[Laughter]

Mr. Marmanides: "This is a not relevant as to why I am here. I just wanted to mention to you..."

Attorney Zullo: "All I am saying to you is that there is a procedure to appeal and you haven't followed that procedure and if they go ahead and hear your appeal tonight, you will not have another opportunity to appeal."

Mr. Marmanides: "Well, at this point Mr. Zullo for me it doesn't matter because I have a shut off notice. I am not familiar with the procedure or whatever. Since April I have been making lots of payments..."

Attorney Zullo: "But, you are making your case now. The question is. Do you want to go forward tonight?"

Mr. Marmanides: "Yes, I would like to go forward."

Attorney Zullo: "Alright go ahead. Why don't you pull your chair up here?"

John Hiscock: "I have no files, I have no information. I have nothing."

Attorney Zullo: "You see, they are not prepared."

Commissioner Geake: "We are not prepared."

John Hiscock: "Totally unprepared."

Commissioner Westmoreland: "Will he be able to...will this Commission be able to act on anything that he presents to us with tonight?"

Attorney Zullo: "The problem is you don't have the position of the Commission on his particular matter because he has not prepared to proceed with the appeal."

Commissioner Westmoreland: "We are concerned that you are going to lose your right to actually address your issue if you speak to us tonight."

Commissioner Geake: "At a later date."

Mr. Marmanides: "A later date, I just want to tell you..."

Commissioner Geake: "I know, but if you tell us then you won't be able to tell us at a later date."

Mr. Marmanides: "When is the later date?"

Attorney Zullo: "At the next meeting. Well, maybe not."

Commissioner Westmoreland: "Through the appeals process."

Mr. Marmanides: "I don't understand the procedure Mr. Zullo. I just came here you know desperately. I don't know and I don't want to interrupt your meeting, I just came here because it hurts me, I have a wife who is sick and they are shutting my electricity off three or four times and I talked to Joe and the other lady Gwen, I said please I would like to make payments but not those kinds of payments. I don't understand who made those payments Mr. Zullo. I had to pay, besides \$300 plus like \$500 every month."

Attorney Zullo: "We understand. We are not trying to be hostile to you. We are trying to help you. The point of the matter is, if you make your case tonight they cannot decide anyway because they don't have the information from the staff and if they don't have the information from the staff and the staff comes in at the next meeting and presents their side of the case, they might find against you and you won't have the opportunity to appeal that decision. So, what we are trying to tell you is that you might be better off...how long would it take for him to finally appear and appeal?"

John Hiscock: "At any point in time he can make an appeal to the Commission by stating the relief requested and what the issues are and then we will schedule an appeals meeting hearing and at that point the Appeals Committee will address it, the Appeals Committee will then issue a draft decision and that draft decision goes to the full Commission for ratification. This is a very lengthy file; this has been an ongoing issue for a very long timeframe. We are not talking about a case that has cropped up recently. This has significant long-term history. So, there is no way I can give you any of that information and quite frankly I don't know all of the detail."

Commissioner Geake: "Through the Chair. Is there someone that could help him file this appeal? I mean, since he seems..."

Attorney Zullo: "You are presuming that the staff is not going to help in the filing."

Commissioner Geake: "No, that is what I am saying. I know we can't, but I was just wondering, is there someone who can help him since he seems to want some help?"

John Hiscock: "It is a rather simple procedure. We can hand him the appeals procedures of what he has to do and he needs to follow it. You have to indicate to the Commission at that point in time what relief you are seeking."

Commissioner Mann: "That is better."

Commissioner Geake: "What I would do sir is contact them tomorrow and find out about an appeal. We don't want you to say anything that might jeopardize your right to have an appeal so it would be better if you go and come in tomorrow and get paperwork or whatever is necessary so that you can file the appeal because we want to hear you, but if you start talking and we listen then we could jeopardize our ability to hear you on an appeal."

Mr. Marmanides: "Those appeal papers, they have them, I mean...?"

John Hiscock: "Yes."

Commissioner Geake: "Yes."

Mr. Marmanides: "This is the first time..."

John Hiscock: "Gwendolyn Gonzalez that you have been talking to off and on, can hand you the Appeals Procedure and tell you exactly what you need to do."

Mr. Marmanides: "Ok, I see."

John Hiscock: "Ok?"

Mr. Marmanides: "I did not know that procedure. Nobody mentioned that to me. I will follow whatever advice you give me."

Commissioner Geake: "That is what I would do."

John Hiscock: "You should follow the Appeal Procedure."

Commissioner Burgess: "I think that would be better for you."

John Hiscock: "Once you file an appeal, according to the procedure, actions by this Department are staid until there is a decision."

Attorney Zullo: "You understand what that means; actions by the Department are staid? That means they won't take any action against you while your appeal is pending such as shutting off the service."

Mr. Marmanides: "Ok."

Attorney Zullo: "I mean, is that correct John?"

John Hiscock: "Yes."

Commissioner Geake: "Yes."

Attorney Zullo: "So that we are not trying to say delay it for two weeks and then shut-off your service two days from now. You come in here tomorrow...I am sorry go ahead."

John Hiscock: "I was just going to say...do you have service now?"

Mr. Marmanides: "Yes until tomorrow morning."

John Hiscock: "Ok I wanted to make sure of that before we sent you away and told you how to appeal."

Attorney Zullo: "So if you come here in the next few days and appeal, this Commission or this body will not take any action against you relative to shutting off the service until they hear the appeal."

Mr. Marmanides: "Ok gentlemen, ladies, thank you very much. Mr. Zullo, it was nice seeing you again."

Attorney Zullo: "Well, it was nice seeing you again. I am sorry you are under these circumstances."

Mr. Marmanides: "Yes."

Attorney Zullo: "Keep in mind; we are trying to help you here."

Mr. Marmanides: "No, I understand Mr. Zullo, I understand."

Attorney Zullo: "If you come in tomorrow or the next day and do whatever you are advised to do, it stays any action they can take and you have gotten the results you want and namely you want service, you want electrical service at your premises until they decide your complaint if you have one. Maybe when you go through the process, they will give you some relief on their end. When I say on their end, I mean the Committee that hears these appeals. If you are not with them, then you appeal to this Board and you have the staid for cutting off the electricity."

Mr. Marmanides: "Ok, good night. Thank you."

Commissioner Burgess: "Good night."

Commissioner Geake: "Good night."

Mr. Marmanides: "Thank you."

Commissioner Burgess: "Ok, Consent Agenda."

2. Quarterly Customer Electric Write-Offs – July 1, 2013 through September 30, 2013

Commissioner Burgess: “Quarterly Customer Electric Write-Offs, can I have a motion to approve the Consent Agenda?”

Commissioner Geake: “So moved.”

Commissioner Mann: “Second.”

Commissioner Burgess: “All in favor?”

Commissioners Unanimously: “Aye.”

Commissioner Burgess: “Opposed?”

[None Opposed]

Commissioner Burgess: “We are now into the Regular Agenda.”

**Regular Agenda:**

John Hiscock: “Madam Chairman, before we get into the first item, due to some last minute change of position by Connecticut Light and Power, I would like to withdraw Item 4, CL&P Easement for consideration for this evening. They modified the document that we were going to bring to you this evening on Friday afternoon and we have not had a chance to discuss it with them. So, there is no sense in going forward on this at all.”

Commissioner Burgess: “Do we need a motion to remove it?”

John Hiscock: “Yes.”

Commissioner Burgess: “A motion to remove Item 4 under the Regular Agenda?”

Commissioner Borges-Lopez: “So moved.”

Commissioner Mann: “Second.”

Commissioner Burgess: “All in favor?”

Commissioners Unanimously: “Aye.”

Commissioner Burgess: “Opposed?”

[None Opposed]

3. David Shockley – Neighborhood Improvement Coordinator’s Request for Community Service Funds – Thanksgiving Celebration

Commissioner Burgess: “Ok, Item 3.”

John Hiscock: “Ok, this is a request from David Shockley who has been the individual making this request for several years and it’s a request with respect to the District’s support of a Thanksgiving Dinner put on by Ernie and Martha Dumas and we have been providing \$1,500 in support for this function for quite a few years. The letter from Mr. Shockley is included.”

Commissioner Burgess: “And I think it was very clear that the Electors wanted us to continue to fund this. I think we should continue to fund it.”

Commissioner Westmoreland: “So moved.”

Commissioner Burgess: “Is there a second?”

Commissioner Geake: “Second.”

Commissioner Burgess: “Any discussion?”

Commissioner Borges-Lopez: “I only have one discussion. I just wanted to bring to the forefront of the Commissioners that this is the fund that was only funded for \$2,500, am I correct?”

John Hiscock: “That is correct.”

Commissioner Borges-Lopez: “So, is this still within the budget of the \$2,500 or...?”

John Hiscock: “Yes.”

Commissioner Borges-Lopez: “Ok, it is the first...”

John Hiscock: “This is the first...”

Commissioner Borges-Lopez: “Request.”

John Hiscock: “Request.”

Commissioner Borges-Lopez: “Request from that fund.”

John Hiscock: “From that fund, yes.”

Commissioner Borges-Lopez: "Ok so after the \$1,500 there is only going to be \$1,000 left for any type of donation. So, I just wanted to have it on record."

John Hiscock: "That is correct."

Commissioner Burgess: "Any other discussion? All in favor?"

Commissioners Unanimously: "Aye."

Commissioner Burgess: "Opposed or abstentions?"

[None Opposed]

Commissioner Wooten-Dumas: "I abstain."

Commissioner Burgess: "Ok, thank you."

#### 5. OPEB Trust Update

John Hiscock: "OPEB Trust Plan Update – this is going to be the item that is somewhat abbreviated based on what has occurred in the last, well I guess in a little bit less than a month because of the timing of our meetings. Attorney Allan Friedland modified the trust document in Section 7 in accordance with the discussion at the last meeting centering around accounting and the responsibility of the Trustee with respect to accounting and you can see the modified language, 7.1, 7.2 and 7.3. I just wanted to bring that to your attention for further comment and review. Attorney Friedland believes it was in accordance with what he had heard at the last meeting. And we are not asking for final approval for this document for this evening for two reasons, one to give the Commission a further opportunity to review it and two the Exhibit that goes with it, the list of the beneficiaries and the relationship of those beneficiaries, SNEW has not yet been completely briefed and edited because it is an important document. Once it is set in the Trust changing that document would be somewhat difficult. That is being done. The other item that is occurring is we are waiting for a formal comment on the Trust plan from both Webster Bank and People's Bank and formal proposals from those banks with respect to being the Trustee."

Commissioner Burgess: "Do you and attorney Zullo also feel that this has been done in accordance with what was discussed at the last meeting?"

Attorney Zullo: "I do."

John Hiscock: "Yes, I believe that the intention of the Commission was captured. If someone feels that it wasn't, please let us know and we will go from there. And unfortunately I don't have a recommendation this evening for a Trustee for you, quite frankly because we don't have the formal proposals from either bank."

Attorney Zullo: "In the formal proposal from either bank it might require review of the Trust Agreement, they might want to tweak it a little bit and you don't know what those tweaks are going to be, if any so..."

Commissioner Burgess: "So no action is required at this time."

Attorney Zullo: "We have to come up with a bank first and I don't expect there to be many tweaks."

Commissioner Burgess: "No action is required."

Attorney Zullo: "This is Allan's specialty and I am sure he covered all of the bases and the banks will be more than happy to get our business as opposed to creating too many problems with the Agreement."

John Hiscock: "I am hoping that we have this wrapped up for final approval for the November meeting."

#### 6. Update on Audit and Annual Electors' Meeting - Schedule

Commissioner Burgess: "Update on Audit and Annual Electors' Meeting – Schedule"

John Hiscock: "This is the similar schedule that we have used for a significant number of years. It is generally a tight schedule depending on when the final audit document is produced by Hope & Hernandez. As you can see, there is not much time between our delivery of this document and the Regular Commission Meeting on the 12<sup>th</sup> to discuss this in detail. I have had discussions with Kevin Barber, Mark Harris and Bob Bailey of Hope & Hernandez and I believe that we will be able to deliver the draft significantly sooner than is on the schedule because as scheduled here there is not much time. The auditors have completed all of their field work at this point and we are now going through the process of doing the final balance sheet, P&L and all of the supporting statements that go with it. Normally we have a 'drop dead' delivery date with the auditors of October 30<sup>th</sup> and we are hoping they will honor that. They have indicated to me that they started off two weeks behind but this year not only did Vivian Rodriguez come in but Bob Bailey did come in to catch up, so I think we are back on schedule so we should have a document that we could hand out to you and should hand out to you on October 30<sup>th</sup>, which would give you about a week and a half to look at it so that you can come prepared to ask questions. We are dealing with an issue that I am trying to work through and resolve. For those of you who looked at the notes in prior years and it is a fairly obscure note in the back of the audit, we have been complaining that the Tax Assessor's Office has failed to provide us District wide grand list information, which is problematic this year especially because we are going to need it for the rating agency meetings for the bonds. So, I have sent a letter, just at the end of last week, to the Assessor asking for them to complete the information that we need and including the ten years of history. I have copied Tom Hamilton, who is the head of that department and I had originally attempted

to talk to Tom today but it was somewhat hectic, I was up in Norwich this morning and the substation project had my attention in the afternoon. I will be calling Tom Hamilton in the morning and trying to get Tom Hamilton to intercede and get the information to us.”

Commissioner Westmoreland: “Just so you are aware, Mr. Hamilton’s partner passed away after a very long illness and he has been out a lot and the funeral was just on Saturday. So, I don’t expect him to be in the office this week.”

John Hiscock: “Well, thank you for that information.”

Commissioner Westmoreland: “You might try...I would start with the Mayor.”

Commissioner Geake: “Yes, that is what I was going to suggest.”

John Hiscock: “That is where I am headed next. It is the only place I can go at this point. And it is not that we haven’t made this request repeatedly. Our auditor has made this request year after year after year and we just simply get a vacuum. At one point I joked that probably the most logical thing for us to do would be to pass a district tax of .000001 mils and force him to go through the process. I will try to work through this and get us the information because you simply cannot go to the rating agencies and you can’t construct an offering statement without this information. This is critical information. So, we are going to try and work through that as fast as possible.”

Commissioner Westmoreland: “I am happy to help if you want me to call the Mayor, I will happily do so. And I will call Mr. Stewart if necessary.”

John Hiscock: “Let me start off with the Mayor at the staff level and if I don’t get a response there then I will be more than happy to enlist aid from the Commission.”

Commissioner Geake: “There are always the Common Council people.”

John Hiscock: “Well, I don’t want to make it...”

Attorney Zullo: “You don’t want to make it a political issue.”

John Hiscock: “Believe me; I don’t want to make this a political issue.”

Commissioner Geake: “Well, no, I just meant they are here to represent you and...”

Attorney Zullo: “I know but anything at this particular time is going to be seen as political.”

John Hiscock: “Yes, I am going to do this, I know we are on the record, but that is quite alright, I am speaking to the rating agency issue and I am sure we will get cooperation

once the City understands how important this is to us. But, nonetheless I will inquire of the Mayor's office and go from there and I am assuming it will work out."

Commissioner Burgess: "Ok, we are down to adjournment of the meeting. I can't believe it."

John Hiscock: "What normally happens before the meeting is we print the notice for the electors. Remember, we need a quorum. We need at least 15 electors. We will, on Tuesday night the 12<sup>th</sup> and I do expect it to be a long meeting, we will go over the audit in detail, so the next meeting on the 12<sup>th</sup> will be fairly lengthy. I will probably try to limit the rest of the agenda to the OPEB finalization and the CL&P Easement, which I expect to be finalized by then."

Commissioner Burgess: "Thank you. Is there a motion to adjourn?"

Commissioner Westmoreland: "Excuse me."

Commissioner Burgess: "Go ahead, I am sorry."

Commissioner Westmoreland: "Could you give us an update on the substation?"

John Hiscock: "Ok, it has been days of elation and days of deep depression. We are just about completed...let me back up. We started environmental remediation earlier in September and we completed probably 85% of the environmental remediation. Now, this is the new site that we acquired not the old site. The environmental remediation is going reasonably well. We have removed the VOC materials, essentially the material that came out of the old repair shop through the floor drain. We have pulled all of that out and that is good. The miscellaneous non-native fill as they call it, which is mostly been construction, debris and a lot of foundry slag. I don't know where they happened to get it from but there is a tremendous amount of iron and foundry slag. We have gotten most of that removed today. We got back on the site yesterday and for the two and a half intervening weeks that we weren't on the site; CL&P was modifying the transmission towers. The three transmission towers are up, the wires have all been moved between the last two poles, the last two monopoles on the site where the wires will come into the facility have jumpers across them and the line was turned back over to ISO-New England at 4 p.m. on Sunday. So ISO-New England has control of the line. CL&P's contractor, PAR, an excellent contractor and worked through some very difficult times with the railroad again, they were able to get everything done other than the fiber optic control cable that comes from about 12 towers to the south and west where there is a significant amount of communication that occurs with other CL&P facilities and transmission facilities. I am not going to go into any more detail than that because of the sensitive nature of the equipment. ISO-New England has agreed to a shut down next Sunday, which is interesting, for one day and they will be on site on Sunday and they will pull in the fiber optic cable. At that point, all of the work for the first shut down will be completed. The remediation contractor should be off site by Friday afternoon sometime. He might work into Saturday to remove the rest of the fill and take it either the landfill or to where the rock and there is a lot of rock on site, is being disposed of. The next issue is

on one week from yesterday, CL&P is going to mobilize their contractor to start foundation work on the southerly boundary and the location of the CL&P control house, which is a critical path component for them. The control house should be delivered in about three weeks. They will also do the foundations for the steel structures that will bring the wires into the station and into the breaker and eventually into our facilities. On Monday, the contractor, a separate contractor, not Concord who was the low bidder on the remediation, another remediation contractor Red Technologies will start on removing the fill from the original site, which was the Dr. Martin Luther King Drive spoils pile when it was constructed in the 80's. We believe that the site will be relatively clean. It will have a very large amount of rock, blasted rock and boulders. It will have some soil in between. Our hope is that it is mostly boulders because boulders and rock can be screened down to the 2 inch size are \$15.50 a yard and the material that goes to the landfill is...it not a yard, a ton, and the material that goes to the landfill is about \$45.00 a ton. So there is a significant cost advantage to it being rock. If we can over remove rock because this is not a transfer sight, we can remove rock below grade and take the existing fill and not truck it off and put it on site as long as it is not in the foundation area. We can remove rock below grade and take the existing fill and not truck it off and put it on site as long as it is not in the foundation area. So, we are going to work with the LEP, the License Environmental individual who has no formal action here but is guidance for us and the contractor. We received four bids for the site work. One was about \$450,000; two were about between \$525,000 and \$550,000 and one was somewhere between \$2.6 million and \$2.8 million. We were wondering whether he made a decimal point error because on the landfill material his bid was \$400 a ton and everybody else was in the \$40 a ton range or he just submitted a bid for whatever reason. So, we did have four bidders. We had three credible bidders. We chose the low bidder. Much to our disappointment, we would have preferred to continue with Concord but they were almost a \$100,000 more than the low bidder. There was absolutely no reason to leave a \$100,000 in just our preference because we had a very good relationship with Concord. So, Concord was our remediation contractor who will be off site by the end of this week. We have not yet bid our foundation work and our steel erection work. That should be in about the next two to three weeks and we should have formal bids on that. It will probably be a high voltage electrical contractor and they will probably sub out the civil work and the foundation work and they will do the electrical. The bulk is the electrical. In our case, we are providing the material, the two bulk transformers have arrived. They were off loaded. They are at the State Street substation. We have made a pad for them to be located on. The circuit switchers have arrived. The motorized disconnect switches will arrive in the middle of November. So we have no material delays at this point. Our control house and our switchgear will not arrive until mid-January. So, the station will not be activated until sometime in February. So that is where we are at this point in time. However, we have firm commitment on both the control house and the switchgear, so there is nothing else left to delay us. However, we are going to be about four months behind schedule. That is where we are in a rather long explanation but a detailed one. Does anyone have any questions about the substation?"

Commissioner Ramirez: "That was very nice."

Commissioner Burgess: "Does anyone else have any questions?"

Commissioner Ramirez: "That was very well put together."

Commissioner Burgess: "Is there a motion to adjourn then?"

Commissioner Borges-Lopez: "So moved."

Commissioner Ramirez: "Second."

Commissioner Burgess: "All in favor?"

Commissioners Unanimously: "Aye."

**Adjournment**

*The meeting adjourned at 7:45 p.m.*

Attest:

Lisa Roland  
District Clerk