

SECOND TAXING DISTRICT COMMISSIONERS

Regular Meeting
February 15, 2011

Present: Mary E. Burgess Chairperson
Al Ayme Vice Chairperson
Maria Borges-Lopez
Mary A. Geake
Sherelle Harris
Mary Mann
Cesar A. Ramirez

Also Present: John M. Hiscock General Manager
Candace Fox District Clerk
Arthur E. Miller Legal Counsel

Public Present: Paul J. Palermo Norwalk Senior Center
Michael K. Geake

Call To Order

Chairperson Mary E. Burgess called the Regular Meeting of the Second Taxing District Commissioners to order at 7:00 p.m. on Tuesday, February 15, 2011. The meeting was held at South Norwalk Electric and Water, One State Street, South Norwalk, Connecticut.

Acceptance of the Minutes

Commissioner Burgess: "I call the Second Taxing District regular meeting to order, Tuesday, February 15th at 7:00 p.m. I need a motion for acceptance of the minutes of January 18th."

Commissioner Ayme: "So moved."

Commissioner Borges-Lopez: "I'll second."

Commissioner Burgess: "Any discussion?"

[No remarks]

Commissioner Burgess: "All in favor?"

Commissioners simultaneously: "Aye."

Commissioner Burgess: "Opposed?"

[No opposed]

Commissioner Burgess: "Abstentions?"

[No abstentions]

Commissioner Ayme made a motion to accept the minutes of the regular meeting of January 18, 2011. Commissioner Borges-Lopez seconded and the motion passed with Commissioners Burgess, Ayme, Borges-Lopez, Geake, Mann, and Ramirez all voting in favor and none opposed [Commissioner Harris was not present during the acceptance of the minutes].

REGULAR AGENDA

Norwalk Senior Center – Support Request

Commissioner Burgess: “Item three...”

Mr. Hiscock: “Okay, first... oh, yes, go ahead. I’m sorry [directed to Commissioner Burgess].”

Commissioner Burgess: “You what?”

Mr. Hiscock: “I’m sorry. I interrupted you, and I apologized for interrupting you.”

Commissioner Burgess: “Go ahead.”

Mr. Hiscock: “Okay just, Norwalk Senior Center has a request for support out of the Community Service budget, and I believe there is someone here this evening in addition to the information in your packet to talk to us about that request.”

Commissioner Burgess: “Welcome [directed to Mr. Palermo].”

Mr. Palermo: “If I may, I’m going to pass out these. These are our newsletter. It really tells our story. And I don’t know how much time you’re allotting me, but I could go on forever about the Norwalk Senior Center, so you cut me off when you’re ready.”

Mr. Hiscock: “Well you can’t have forever.”

Mr. Palermo: “First let me introduce myself. My name is Paul Palermo. I’m Executive Director of the Norwalk Senior Center. I’m a Norwalk native. I was born and raised here. As a matter of fact, if any of you know of the term “Whistleville”, that’s where my family started. As a matter of fact it was across the street from here on a street that doesn’t exist any longer. Hamilton Hill I think it was called.”

Commissioner Mann: “Yes.”

Mr. Palermo: “So, I’ve been executive director of the Norwalk Senior Center for almost four years now, prior to that I was a volunteer on the Board of Directors for 11 years. My first career was 20 years plus with Perkin Elmer Corporation. I was the Director of Human Resources there, and when I left I joined the non-profit sector as the Director of Senior Center, as I was just saying. We’re celebrating our 40th year in existence, and we have a very simple mission statement, and that is to improve the lives of seniors. We have two locations, one at 11 Allen Road, and another in South Norwalk at 92 Cedar Court. We have approximately 1,800 members, and on average we see, including both locations, about 225 people a day. We’re open Monday through Friday from 8:00 in the morning until 4:30 in the afternoon, and at our South Norwalk site from 9:00 a.m. until 2:00.

We have a number of different programs and services that we provide, and some of the more critical ones are we provide congregate meals at both sites, and this is a nutritionally balanced meal as judged by the Senior Nutrition Program of the State of Connecticut, and for a \$3.00 requested donation we serve a complete meal at lunch time, and sometimes it's the only hot meal that our members receive. Our South Norwalk membership is vulnerable. They are either... 90 plus percent are either at or below poverty line. And the Norwalk Senior Center is one of 162 senior centers in Connecticut. Of the 162 senior centers, three of us are stand alone non-profit organizations. The others are part of their town or municipality, and they are fully funded by their municipality. We have a partnership with the City of Norwalk where they provide our building on Allen Road and about one-third of our budget. So it's up to me and our Board of Directors, which there are 20 Board members, to raise approximately \$750,000.00 each year. And I don't have to tell you what the economic climate has been for the past two years, but non-profits in general, including the Senior Center, have seen about a 40% reduction in contributions. We appeal to foundations, organizations, corporations, individuals to help fund our programs. But we also generate income, and we do that a number of ways. I've neglected to say one thing I need to say. Besides congregate meals, we also serve approximately 85 people a day on Meals on Wheels. In our two locations there are a total of 13 employees, both full and part time, but the reason that we are successful is that we have 150 plus volunteers that really make it all happen on a day-to-day basis. So without the volunteers, we would be nowhere. So our financial situation, because of the last two years and the downturn of the economy, has put us at a distinct disadvantage, and the contributions are off by about 40% as I was saying. So we have taken a number of measures to address that. We're currently projected, over the course of the next year, we'll be running at approximately a \$60,000 deficit, and in order to address that, rather than cut programs for our members, the staff has come together and decided that we would make a sacrifice and have to unpaid furlough days per month, by doing that we cover the \$60,000 deficit. This can't go on forever. In addition to that measure, we also earn money to run the senior center. We have a nominal membership fee of \$20.00 per year, and in addition to that we generate revenue with our buses. The critical component of a successful senior center is having transportation. Seniors either no longer drive or... and don't have access to public transportation. It's unreasonable to think that a senior can walk to the bus stop and wait in even good weather. So we provide transportation from their home, to the center, and back, and we charge \$5.00 a month to do that. The reason we're able to do this is because during our idle time during the day, rather than have our four buses sit in the parking lot, we subcontract to the Norwalk Transit District and do "Dial-a-Ride". So if someone needs a ride to a doctor's appointment, they are dispatched. They call the Norwalk Transit District and the dispatcher there will assign one of our drivers, which generates incomes for us. We also have nominal program fees ranging from an exercise class that could be \$2.50 to a \$55.00 computer class. We have a computer learning center as well. Our South Norwalk site pretty much mirrors all of the things that we do at Allen Road, except all of the programming is delivered in two languages, both English and Spanish. We have language lessons, rent rebate assistance, referrals to various social agencies to help our members weave through the maze of bureaucracy at times, and our coordinators help our members get through all that so they are able to assist themselves in many cases. If you would like to, the next to last page of our newsletter, which comes out six times a year and is included in the \$20.00 membership fee... actually, the \$20.00 membership fee just went up last July from \$10.00 a year, so it's a nominal amount; but there's a page that's dedicated to the South site, and you can see all the programs that we have from English as a second language at intermediate and beginning levels, we have exercise classes four days a week, very well attended, very popular; card games, bingo, as I said social services such as energy assistance. In addition to transporting members from their homes to the Senior Center and back, we also provide them shopping trips weekly to Stew Leonard's, monthly to the Christmas Tree Shop. We also go to Shop Rite weekly, and our drivers

assist the members in getting on and off the bus, and also helping them with their packages. All of our buses are wheelchair equipped, and we're in partnership with the Connecticut Department of Transportation in that they pay for 80% of our buses when we buy new buses. We have to come up with the other 20%, but because we are a partner of theirs, they dictate what the buses need to look like, and basically they have to have a wheelchair which enables us to transport not only seniors, but also people with disabilities that need to get around town. We have a number of health and wellness programs that we do on a weekly and monthly basis. Twice a month we do blood pressure screenings at both of our locations, and cholesterol checks, things of that nature. Many of our members don't have access to healthcare and they rely on us for that, and we're sort of a safety net for the more frail members of the community. Recently I was explaining that the staff is kind of sacrificing this year since we're running at a deficit, and rather than cut programs, or cut staff, staff has decided that we would each make a sacrifice. We're now doing two unpaid furlough days per month, which will make up the deficit over the course of the next year. Our hope is that the economy recovers, the foundations that fund us will return to the pre-economic disaster levels, and help fund the Center. That's why I'm here tonight, and I would respectfully request that you consider supporting us, make an investment towards the Norwalk Senior Center in the form of a donation that we would use as operating expenses in order to fulfill our mission for the seniors of Norwalk. And if anyone has any questions I would be happy to address them for you."

Commissioner Burgess: "I do. Is there a dollar amount you're asking for?"

Mr. Palermo: "\$5,000.00 would help us tremendously. If you would consider that, I would appreciate it."

Commissioner Burgess: "Another question I have, since it's our rate payers' money, is there a way that our donation could be designated toward the Senior Center in South Norwalk?"

Mr. Palermo: "Yes, it can be. That comes with a string. I have to explain that the Southwestern Connecticut Area Agency on Aging, SWCAA, that operates out of Bridgeport and funds organizations in the 14 towns, including Norwalk, give us a grant each year as a community focal point. The South Norwalk is a community focal point. And one of the stipulations in their grant is that we actively seek donations from the community, so... which is something that we regularly do. By doing that, any funds that we receive we report to SWCAA, and there is a good probability that they will reduce the amount that they give us each year based on the donations that we receive from other sources."

Commissioner Ramirez: "So it's a catch 22."

Mr. Palermo: "Yes it is [responding to Commissioner Ramirez]. It is."

Commissioner Ramirez: "Well..."

Mr. Palermo: "SWCAA, over the past couple of years, has... I sit on one of their advisory boards, and across the board they have reduced the donations that they've made to the area... to the agencies that they support by approximately 6%; two years ago, last year, and I fully expect it's going to happen again this year, so we're trying to do more with less."

Commissioner Ramirez: "Through the Chair, I do believe that there are a good number of seniors from South Norwalk that attend 11 Allen Road. I do believe that the majority that attend, and

correct me if I'm wrong [directed to Mr. Palermo], according to what I've seen, I provide seminars in there every once in a while, the majority of the seniors in 92 Cedar are Latino folks, and then mixed with Creole, French and others, but for those that can drive and are still residing in Norwalk, they go to Allen Road. So our money, or financial support, will definitely be equal in any shape or form anyway, so..."

Mr. Palermo: "What he said is correct. In excess of 95% of our members at the South Norwalk site are from South Norwalk."

Commissioner Ramirez: "Yes, so I think it would be very well invest... I mean, an excellent investment anyway."

Mr. Palermo: "Thank you. Any other questions?"

Commissioner Ramirez: "If the rest of the Commissioners decide."

Commissioner Burgess: "Commissioner Harris?"

Commissioner Harris: "Oh no, no, I was saying hello."

Commissioner Burgess: "Oh."

[Laughter]

Commissioner Borges-Lopez: "Nobody has any questions?"

Commissioner Harris: "My question was going to be how much as well."

Commissioner Borges-Lopez: "Oh, he did mention that."

Commissioner Harris: "He did. No, that was my only question."

Commissioner Burgess: "Anybody have any other questions?"

Commissioner Ramirez: "No, self-explanatory. We appreciate it Sir. That was very well put together."

Mr. Palermo: "Thank you. Thank you for inviting me tonight. I appreciate it, and I'm sure our members do as well."

Commissioner Borges-Lopez: "Thank you."

Commissioner Mann: "Thank you."

Commissioner Burgess: "We are not supposed to take action on this tonight, right?"

Commissioner Ramirez: "We could do it right now."

Mr. Hiscock: "You could. You don't have to. The only issue that I have, and I'm quickly looking at it, and off the top of my head I'm trying to determine how much of the Miscellaneous Community Service Project funds have been used so far this year. We have a \$7,500.00 line item. We used \$1,500.00 for the Thanksgiving Celebration. In fact I think there's a letter in the..."

Commissioner Ramirez: "Yes."

Mr. Hiscock: "...miscellaneous packet that you received this evening when you sat down. I do not believe there is anything else that was funded out of that this year. I'm trying to remember myself. I would have to check to make sure, but I do not believe, at this point, anything else has been expended. So I believe the balance in that account is \$6,000.00."

Commissioner Ramirez: "That would not affect the youth program, for the summer program, is that correct?"

Mr. Hiscock: "No, it would not change. This is a totally different... if you... we only have the proposed budget in there, but that's a separate line item which we explained to the electors is \$7,500.00 per year spent at the option of the District Commissioners as approved at a public meeting. That's the only tie to..."

Commissioner Ayme: "What's the available balance right now?"

Commissioner Borges-Lopez: "\$7,500.00 is on the..."

Commissioner Ramirez: "On the... right?"

Mr. Hiscock: "That's the amount we allocate each year. We spent \$1,500.00 for the Thanksgiving Dinner."

Commissioner Borges-Lopez: "Right."

Mr. Hiscock: "So I believe, subject to my making sure, I believe there's a \$6,000.00 balance in that account."

Commissioner Ayme: "6,000.00?"

Commissioner Borges-Lopez: "Just for clarification, it's the \$7,500.00 less the \$1,500.00, right?"

Commissioner Ramirez: "Yes."

Mr. Hiscock: "Yes."

Commissioner Borges-Lopez: "...for the Miscellaneous Community Service Projects, which is..."

Mr. Hiscock: "Correct."

Commissioner Borges-Lopez: "...on the book. Great, okay, thank you."

Mr. Hiscock: "Right, everything else is a line item that refers to a very specific event."

Commissioner Borges-Lopez: "Right. Okay."

Mr. Hiscock: "And while 2011-12 is in there, you can go back and see the 2010-11 budget is almost identical. It's actually on... in your budget package, which I know we're not talking about, but on page three, so you can look and see actually how the money is spent. We were going to actually be talking about this a little bit later when we talk about budgetary issues for next year."

Commissioner Borges-Lopez: "Through the Chair, just for a point of clarification here, I just would like to be on the record that I am a Board member of the Norwalk Senior Center and I will recuse myself on any vote tonight, as I did with the Summer Youth Employment Program, as I'm also on that Board."

Commissioner Burgess: "Any other questions?"

Commissioner Mann: "I don't have a question. I do have a comment though. I support the Senior Center 100%. I think it's a worthwhile program for us to, you know, invest funding in. I do hesitate at the amount. Is it a one-time donation, or is this something that is going to be continuous on a yearly basis, and I just have some questions in regards to that. I think this is a year that we may get hit with a lot of requests from community, different community programs and projects because everybody is dealing with budget cuts and things of that nature, and I think the Commission just might want to take some time and maybe establish some sort of rules in regards to this. I think it's something, looking forward to the future, that we might just want to take a few minutes and look at, because I know there's a couple of more requests that are coming this way."

Commissioner Burgess: "Yes, I do too."

Commissioner Mann: "Know that for a fact."

Mr. Hiscock: "Well, we had an informal discussion a short time ago with somebody from the Historical Society who just put a request on Candace's desk, or actually on the end of the table. It's not on the desk until tomorrow, which you are going to be getting, so that is an additional request that just came in tonight. And just to let you know, it's for a replacement flag pole for the park on West Washington Street at Martin Luther King. I haven't even looked at it. I don't know what the amount is. I know nothing about it other than, you know, what just happened 20 minutes ago."

Commissioner Mann: "Just for your consideration."

Commissioner Burgess: "Anyone else have questions, or answers [laughing]? Okay, thank you very much [directed to Mr. Palermo]."

Mr. Palermo: "Thank you for having me, and the last thing I would like to do is invite each of you to visit us at either one of our locations, especially the South Norwalk site. And again, thank you for listening tonight."

Commissioner Ramirez: "Thank you."

Commissioner Borges-Lopez: "Thank you, Paul."

Commissioner Geake: "Thank you."

Commissioner Borges-Lopez: "Have a good night."

Commissioner Geake: "Next."

Commissioner Burgess: "Alright, you're on, item four."

Mr. Hiscock: "Okay, rate consultant..."

Commissioner Ramirez: "I have a question."

Commissioner Mann: "Yes [acknowledging Commissioner Ramirez]."

Commissioner Ramirez: "Pertaining to Commissioner Joe Mann, I mean Mann; I'm talking about your brother, right? Are we going to decide the totality of the amount, \$5,000.00, or are we looking to table it, or... I hope it's not."

Commissioner Burgess: "No."

Commissioner Ramirez: "I hope that we can make a final decision today."

Commissioner Burgess: "We're not doing anything."

Commissioner Ramirez: "What?"

Commissioner Ayme: "We're not doing it."

Commissioner Burgess: "Only because I'd like to... well, I believe Commissioner Mann is right. We have to set some sort of plan how we do this, and not use all the money when we don't know what else is coming in in the next couple of weeks."

Commissioner Borges-Lopez: "Can I... through the Chair. This letter, this request was made back in October. I think we owe it to any organization an up and down, or down, vote rather than dragging the issue. For us not to make a decision based on something that may come in the future, I don't think it's really fair or just to the organization. This was on the agenda today, and although I'm not voting on it, I'm giving my opinion on it, I think we should do an up or down vote to decide if it's \$500.00, it's \$500.00; if it's \$100.00, if it's \$0.50, we should at least make that effort to just put closure to this. I mean the letter came in in October, and it was a request that was made tonight. I don't see why we have to, you know, set it back, you know, to wait for, you know, future requests."

Commissioner Ramirez: "And that's why my suggestion... my question, is because I would like to see an action be taken place for whatever number the rest of the Commissioners will be taking. By being silent, we don't know what's going to happen, so I would like to see, personally, I would like to see some action be taken place tonight. The amount, that will be (inaudible) for the Commissioners, but I would definitely like to see some action take place on the donation (inaudible)."

Commissioner Ayme: "Through the Chair."

Commissioner Burgess: "Go ahead [acknowledging Commissioner Ayme]."

Commissioner Ayme: "I would just like to see that we have... if that's the case, that we're going to vote, I would like to see that at least we have a consensus."

Commissioner Ramirez: "Well it's kind of obvious that it's going to happen though."

Commissioner Ayme: "Well that we have a consensus in order to do what we are proposing to do here tonight. I'd like to hear from the other two Commissioners."

Commissioner Harris: "I don't have a problem voting on it tonight, as long... well we obviously have to decide on the amount, but I don't have a problem voting on it."

Commissioner Geake: "Neither do I."

Commissioner Harris: "Unless... yes..."

Commissioner Geake: "Unless, you know, I have problems on the amount that he asked for, but I don't know what to decide on, but I'd be more than willing to vote tonight on something."

Commissioner Ramirez: "Okay."

Commissioner Ayme: "And in terms of the amount, any proposals, any suggestions?"

Commissioner Burgess: "No, not yet."

Commissioner Borges-Lopez: "Well somebody should make a motion on the amount, and have a second, and move forward."

Commissioner Ayme: "Well we have, as I, as I... before we move... before we move ahead I'd just like confirmation. You said \$6,000.00 we have left?"

Mr. Hiscock: "I believe we have \$6,000.00 in that account. The other... the other things that we give contributions to, so that you understand, are... because you need to understand where we're spending the money. We have line items in that budget for things that we do. And if you look at... under tab five, page three, you'll see a page that says Second Taxing District General Fund Budget 2011-2012. It happens to be exactly the same as the current budget that was approved in 2010-2011. Community beautification, those are in-kind services that we provide. It's our grounds crew cleaning up various park spaces in South Norwalk. These are not cash donations to anything or anybody. They are simply in-kind services, trucking, labor, benefits, general overhead, to our field crews literally going out and cleaning up. We clean up the Heritage Wall. We're having a little bit of trouble this year because two of the sites, Heritage Wall and Peter's Park happen to be under construction and we're not doing as much. Holiday lights we, during the holiday season, put lights at Heritage Wall and charge for it. We happen to do it at the offices on Water Street. We don't do it here because we're sort of a small portion of the building. And that's what that is. The things that we give out to other groups in one form or another are on the bottom; assist Clean and Green, either in-kind services, trucking and labor, or its actual cash for something they may request. Generally they haven't been requesting that lately. SoNo Arts Celebration, that has been on our list for at least 10 years. I guess you're all familiar with the SoNo Arts Festival that occurs on

Washington Street. We contribute our labor directly to that in a very specific line item. Our crews physically go out and install electric services, work with their electricians, and then we donate the electricity. That's an account that goes up and down. Some years its \$1,800.00/\$1,900.00 and they pay the difference. Other years it's less than \$1,500.00 and they only get the less than number, whatever it is. And we actually do a calculation on it like a job. We start a job, we add the electric meters up, we look at the consumption, and we bill them, and then we take \$1,500.00 and apply it against the bill. We do not give them the credit if it's under \$1,500.00. If it's over, they pay us. And they do pay us. It's never a problem. The Summer Youth Employment Program, you all know that it was upped the prior year, and that's a direct cash check cut to the City of Norwalk program. And then Miscellaneous Community Service Projects, Community Projects, there have been various ones over the years. The most ongoing one however has been the Thanksgiving Celebration and Dinner that you have the note in your packet thanking us for that is run through the City's... I don't actually know who David Shockley works for, but he works for a City agency."

Commissioner Ramirez: "He works for the Development..."

Mr. Hiscock: "He was in the Redevelopment group, I know that."

Commissioner Ramirez: "Yes."

Mr. Hiscock: "And I assume he's an employee of Redevelopment."

Commissioner Ramirez: "Right. Yes. It's very well spent, there's no doubt about that."

Commissioner Harris: "Through the Chair, I do have a question. If we were to donate in-kind to this particular request, what sort of thing could we do, or would that not be an in-kind type of...?"

Mr. Hiscock: "I really don't... I can't think of something we could do in-kind here."

Commissioner Harris: "In-kind, okay."

Mr. Hiscock: "The in-kind services we generally do are direct, physical, outdoor labor."

Commissioner Harris: "Okay."

Mr. Hiscock: "Grounds, trucking, things along that line."

Commissioner Harris: "I was thinking of like electricity, but I guess that only happens if it's like a one-time thing, if somebody's... like the celebration... just asking."

Mr. Hiscock: "Yes. No, no, no, it's okay. In this case I don't believe they... certainly in South Norwalk they do not use electric directly. I think that they occupy space..."

Commissioner Ramirez: "Right."

Mr. Hiscock: "...in that location..."

Commissioner Borges-Lopez: "Correct."

Mr. Hiscock: "...and it's taken care of by the non-profit Cedar Court Housing Project. And I don't know the official title, but it's a non-profit that..."

Commissioner Ramirez: "But they don't pay directly to SNEW in a bill at all."

Commissioner Harris: "Okay."

Mr. Hiscock: "Right, they do not pay us a bill, so we can't waive a bill for them. That doesn't work."

Commissioner Harris: "Okay."

Mr. Hiscock: "But that would be an in-kind that we could do."

Commissioner Ramirez: "Through the Chair, I believe that what we have here, it is something that is, it is well been taken care of and provided to the community. I believe, that's my personal opinion, and I strongly believe that we should not do any changes pertaining to what we have here. Every item that is demonstrated to be giving or utilizing in our community is very well for the services and to enhance the quality of life in our community, and as well our children and our community in general. That's my statement."

Commissioner Ayme: "In view of... through the Chair, in view of what he just said, that all the items that we have here are to enhance the community and the residents of the community..."

Commissioner Ramirez: "That's correct, so therefore it should not be changed."

Commissioner Ayme: "And? Is there an 'and' to that? And?"

Commissioner Ramirez: "No, what I'm saying is that if I'm getting in between the lines to take some money out of these items to include the donation, I hope that that's not what we're pertaining to do. I'm hoping that we look forward to the budget that we have, \$6,000.00, and we utilize it to, definitely I support it 100%, whatever donation would be to the seniors..."

Commissioner Ayme: "Oh, I see."

Commissioner Ramirez: "Okay, that's..."

Commissioner Ayme: "Okay."

Commissioner Ramirez: "I'm 100% in support of that without changing anything that is already here."

Commissioner Ayme: "Without changing anything."

Commissioner Ramirez: "Exactly."

Commissioner Mann: "Anything that's currently here [responding to Commissioner Ayme]."

Commissioner Ayme: "Oh, okay. Okay."

Commissioner Mann: "I just don't want anyone to misunderstand. I don't have a problem, you know, supporting the seniors. I'm just a little leery about if we start giving \$5,000.00 out at shots. When we get other requests, how do we handle this? Is there any sort of graft or anything that we go through saying we will donate up to this amount of money for this organization? I just think it might be something that we need to take some time and start looking at, because people are going to start making requests and how are we going to say, well, we gave this one, you know, \$2,000.00; we're only going to give you, you know..."

Commissioner Geake: "\$200.00."

Commissioner Mann: "\$200.00, yes. I think it's something that we just might need to, for the future, to look at how our gifts or donations or whatever are going to be..."

Commissioner Ramirez: "Okay, supposedly, in fair... if I read you correctly, out of this... out of the \$7,000.00, or \$7,500.00, that's where we would like to see how you can distribute the money, right, the rules that it can be applied to."

Commissioner Mann: "Yes, some sort of standard..."

Commissioner Ramirez: "Okay."

Commissioner Mann: "...that we can just sort of base..."

Commissioner Ramirez: "That we cannot pass..."

Commissioner Mann: "...or go by, you know, for the future. I believe this Ryan Park thing, they called me, I don't want to get into that, but you know, I mean, how are we going to justify who we're... how much we're giving to whom, and it's just something I think we need to look into."

Commissioner Ramirez: "I mean, I think it's kind of rough though, because SoNo agencies, like for instance seniors, have been utilized to provide help, assistance to our seniors. I mean that's something that we cannot get away with it, and..." our seniors are people that actually already contri..."

Commissioner Mann: "I'm not against it."

Commissioner Ramirez: "...our senior are people that actually contri... no, no, I understand what you're saying, but how can we put... I know it's... \$5,000.00 is kind of big, okay, based on what we have right now, yes, okay. By the same token, if we have the... I better not say anything, because that's (inaudible), so I'm going to end it up that way."

Commissioner Mann: "Okay."

Commissioner Borges-Lopez: "Well that's... through the Chair, that's the reason I'm trying to say here let's, you know, stay focused and, you know, there was a request made, and... for the Senior Center, and again what I'm saying is he requested \$5,000.00, and let's make a decision..."

Commissioner Ramirez: "That's right."

Commissioner Borges-Lopez: "...are we going to donate to the Senior Center, are we not going to donate to the Senior Center, and if so, if it's not going to be \$5,000.00 as requested then let the Commissioners decide if there is going to be any, and just vote on it and proceed. Now in the past we haven't had any type of a, you know, structure, as far as giving out money, and you can see it right now; and Summer Youth Employment Program, they used to get \$10,000.00, now they're getting \$15,500.00. We also give to the energy program at N.E.O.N. which is another \$25,000.00, so maybe we should..."

Commissioner Ramirez: "How much?"

Commissioner Borges-Lopez: "\$25,000.00 [responding to Commissioner Ramirez]. So maybe we should all collectively, later on..."

Commissioner Ramirez: "Yes, that's correct."

Commissioner Borges-Lopez: "...form a committee and discuss how we're going to go forward as far as making donations to the different not-for-profit organizations within the community. But right now I'd like to focus on what we have at hand and just move forward and decide up or down vote and go forward."

Commissioner Ayme: "Through the Chair, as I understand we have at least one request, one more request?"

Mr. Hiscock: "I haven't seen it. I haven't analyzed it. I don't know what it's for. I don't know the timeframe. I simply didn't... and I didn't mean to confuse the issue by bringing it up..."

Commissioner Ramirez: "No, no, that's fine, because it's coming anyway."

Mr. Hiscock: "...but people talking about other issues and other possible requests. So I haven't really seen it. This request that we're talking about is for, I'm presuming, basically an immediate request, and came to us in October, so I'm assuming it's in this fiscal year, and that's my assumption. The request that is sitting on that end of the table, we'll take back, we'll take a look at it, we'll try to figure out what the request is for, the best way that we could meet that request. We'd give you a budget, you might put it in the next fiscal year, you might do in-kind services, because it's construction that we do all the time. Erecting a flag pole is no different than putting up a utility pole. It's not a big to-do for us. So I really didn't mean to confuse the issue by bringing that up. That request is there, but hasn't even been analyzed, and you know, it's now the second week of February. That probably would not happen, even if we agree to do it, until summer."

Commissioner Mann: "If we were to receive another request from someone else, and it exceeded, because we have \$6,000.00 in the account, the request before us is for \$5,000.00, it leaves us with \$1,000.00. Say we get another request for \$2,000.00, which would be \$1,000.00 over what we have, is there... would we do, could we do a budget revision, or what we have is what we have and it has to last us for a year?"

Mr. Hiscock: "You have the ability to call an electors' meeting at any given point in time to change the budget, and we have done that in the past. We've also changed the budget when we have an electors' meeting out of convenience. We've changed the budget in November several times. November is the, you know, other timeframe in which we have an electors' meeting, so we've taken

that opportunity. But procedurally, to change the budget is simply this Commission making a recommendation to the electors, and the Chair calling an electors' meeting, and you can change the budget at any point in time."

Commissioner Ayme: "Through the Chair, what you're saying is that that entails switching the numbers that we have right now?"

Mr. Hiscock: "No."

Commissioner Ayme: "No?"

Mr. Hiscock: "It entails doing anything you would like to do in that community service budget and present it to the electors. So you could lower the... you could lower something to the unexpended portions. That might be difficult with some of the projects we do, but we could talk about that. You could allocate additional funds out of reserve. You could wipe out one program and replace it with another. I mean it's pretty much freeform. Once you make a decision to amend the budget you could amend it anyway you want as long as there is sufficient funds to cover what you've already spent in that year. So that's not..."

Commissioner Ayme: "Do we have the ability, if I may, do we have the ability to take money out of the District? Not out of the water or the electric company, but out of the budget that we have here, but out of the District? You know, the monies that we transfer to the District?"

Mr. Hiscock: "What you would... I think, if I understand what you're saying, what you would do..."

Commissioner Ayme: "Right."

Mr. Hiscock: "...is call an electors' meeting and say that we would like to increase the Community Service Project budget either by placing a new line item for "X" dollars in the budget, or by upping the Miscellaneous Community Service Projects from \$7,500.00 to \$15,000.00. I mean those are the ways you would go about doing that."

Commissioner Ramirez: "Folks, listen..."

Mr. Hiscock: "And it would come out of the General Fund out of the District, which has some cash in it, some... I guess... well, without searching through here, there's about \$900,000.00 in cash in that fund, and that's really all it would take. I mean, that simple, but in the end everything comes from the utilities."

Commissioner Ayme: "Right, absolutely. Right."

Mr. Hiscock: "Because the District has no income other than interest."

Commissioner Ramirez: "I mean we... I'm sorry, through the Chair, okay, I believe we are..."

Commissioner Burgess: "Commissioner Geake had her hand up."

Commissioner Ramirez: "Go ahead [directed to Commissioner Geake]."

Commissioner Geake: "I have a question. If we were to decide tonight that yes, we would like to donate some money to them, but at this time we can only donate \$2,000.00, but at the end of the fiscal year, or this year, that we find that we have \$3,000.00 leftover in the account that hasn't been spent, and no one has asked for it, can we then give it to them again, or is that something that you don't do, or...?"

Mr. Hiscock: "This, as I've explained to the electors during various budget meetings that you could see from the minutes, I simply explained to the electors that \$7,500.00 goes to Community Service Projects as approved by the District Commissioners at a regular or special meeting of the Commission. So it's done openly and publicly, but that's it. That's the only thing that we explain to the electors. All of the other items we explain to them are line items for specific programs."

Commissioner Geake: "No, but what I meant was if under the Miscellaneous Community Projects we've got \$6,000.00 yet left, so [if] tonight we were to decide that we would give the Senior Center \$2,000.00 with the hope that if everything, you know, it comes towards the end of the time, that if anything's leftover we could turn around and give them again. So say we have \$2,000.00 leftover at the end of the fiscal year, then we could do that again?"

Mr. Hiscock: "Oh, absolutely."

Commissioner Geake: "Okay."

Mr. Hiscock: "That's not an issue. You can revisit this and reapprove dollars anytime the Commission desires by having it placed on the agenda."

Commissioner Geake: "Thank you, I appreciate that."

Commissioner Burgess: "Commissioner Harris?"

Commissioner Harris: "Are we in agreement that we'll vote on this tonight, or are we going to table it?"

Commissioner Ramirez: "I believe we should be taking an action tonight. Why should we table it?"

Commissioner Burgess: "Well I guess if somebody makes a motion we have to vote on it."

Commissioner Ayme: "I'd like..."

Commissioner Burgess: "Not (inaudible)."

Commissioner Ayme: "I'll make a motion, if I may."

Commissioner Burgess: "Okay [acknowledging Commissioner Ayme]."

Commissioner Ayme: "I'd like to move that we approve \$2,000.00 for the Norwalk Senior Center at this time."

Commissioner Ramirez: "May I... can I... Chair? Is it possible that we can increase that number?"

Commissioner Ayme: "You can make an amendment to my motion, absolutely."

Mr. Hiscock: "Procedurally your motion needs a second..."

Commissioner Ayme: "Oh yes, absolutely."

Mr. Hiscock: "...before it can be amended."

Commissioner Ayme: "Alright, we need a second to that."

Commissioner Burgess: "I'll second it."

Commissioner Ayme: "Okay."

Mr. Hiscock: "Okay, so now you have a motion on the floor for \$2,000.00 out of this year's Community Service budget."

Commissioner Ayme: "That's right."

Mr. Hiscock: "So you either discuss, vote or amend."

Commissioner Ramirez: "I would like to amend that motion if that's everybody's (inaudible). I mean I believe there's going to be more requests, but I also believe that it's a very serious need for our seniors. I would be conservative. Let's make it \$3,000.00."

Commissioner Mann: "I'll second."

Commissioner Ramirez: "Thank you."

Mr. Hiscock: "Okay, you have a motion to amend which means you can discuss that and vote to amend, and then you go back to the original motion, however it ends up."

[Simultaneous laughter]

Mr. Hiscock: "Okay, I'm sorry. I'll be a little bit more..."

Commissioner Ramirez: "Specific [responding to Mr. Hiscock]."

Mr. Hiscock: "I'm used to dealing with this situation all the time. Okay, there's a motion for \$2,000.00 and a second. There is an amendment to that motion to make it \$3,000.00, and that has been seconded. So you need to first vote on the amendment. If the amendment passes, the original motion then becomes \$3,000.00..."

Commissioner Ramirez: "That's correct.""

Mr. Hiscock: "If the amendment fails, the amendment fails, and we go back to the original \$2,000.00..."

Commissioner Ramirez: "To the first... right."

Mr. Hiscock: "...motion, and then you would vote on it that way."

Commissioner Burgess: "Now voting on the amendment."

Commissioner Ramirez: "On the amendment, that's correct."

Mr. Hiscock: "Voting on whether you approve the amendment to change it to \$3,000.00."

Commissioner Ramirez: "That's correct."

Commissioner Burgess: "Any more discussion on the amendment?"

[No remarks]

Commissioner Burgess: "All in favor?"

Commissioner Ramirez: "Aye."

Commissioner Harris: "Aye."

Commissioner Mann: "Aye."

Commissioner Burgess: "Opposed? Nay [voting opposed]."

Commissioner Borges-Lopez: "One abstention."

Commissioner Burgess: "One abstention [acknowledging Commissioner Borges-Lopez]."

Mr. Hiscock: "Well I've only seen four votes at this point."

Commissioner Ayme: "I abstain."

Mr. Hiscock: "Okay, so now we have three in favor, two abstentions, and one nay, right?"

Commissioner Mann: "All in favor, can we raise our hands."

Mr. Hiscock: "Why don't you do it again, please, because this is important."

Commissioner Burgess: "All in favor of the amendment?"

[Commissioners Geake, Ramirez, Harris and Mann raised their hands in favor]

Mr. Hiscock: "Okay, I missed this one."

Commissioner Ramirez: "Yes."

Mr. Hiscock: "Four."

Commissioner Ramirez: "I think it's passed."

Mr. Hiscock: "Okay."

Commissioner Burgess: "And two abstentions [referring to Commissioners Ayme and Borges-Lopez]."

Mr. Hiscock: "And a nay."

Commissioner Burgess: "I'm opposed."

Commissioner Ramirez made a motion to amend Commissioner Ayme's motion to \$3,000.00 from \$2,000.00. Commissioner Mann seconded and the motion to amend passed with Commissioners Geake, Ramirez, Harris, and Mann voting in favor; Commissioner Burgess opposed. Commissioners Ayme and Borges-Lopez abstained.

Mr. Hiscock: "Okay."

Commissioner Burgess: "So now we're voting on \$3,000.00."

Mr. Hiscock: "That is correct."

Commissioner Ramirez: "That's correct."

Commissioner Burgess: "Alright, all in favor?"

Commissioner Geake: "I thought we already did that."

Commissioner Harris: "We had to vote on the first one first [responding to Commissioner Geake]."

Mr. Hiscock: "No [responding to Commissioner Geake], the..."

Commissioner Borges-Lopez: "No."

Commissioner Mann: "No, we were voting on the \$3,000.00."

Commissioner Burgess: "\$3,000.00."

Commissioner Ramirez: "Yes."

Mr. Hiscock: "Right, the original motion has been changed from \$2,000.00 to \$3,000.00."

Commissioner Ramirez: "To \$3,000.00, that's correct."

Commissioner Borges-Lopez: "To \$3,000.00."

Mr. Hiscock: "You are voting on the original motion set at \$3,000.00..."

Commissioner Ramirez: "That's correct."

Mr. Hiscock: "The amended motion."

Commissioner Ramirez: "That's correct."

Mr. Hiscock: "So you're voting on the \$3,000.00."

Commissioner Ramirez: "On the \$3,000.00. That's what (inaudible)."

Commissioner Harris: "Raise your hand. You seconded it [directed to Commissioner Mann]."

[Simultaneous laughter]

[Commissioners Geake, Ramirez, Harris and Mann raised their hands in favor]

Mr. Hiscock: "Okay, we have four yays."

Commissioner Ramirez: "One abstention."

Commissioner Burgess: "I'm opposed."

Commissioner Ramirez: "One opposed, and..."

Mr. Hiscock: "Okay, one nay, one abstention, and the second abstention there. The vote is the same."

Commissioner Ramirez: "Right."

Mr. Hiscock: "Four; one; two abstentions. Okay."

The motion to contribute \$3,000.00 from the District's Miscellaneous Community Service Budget to the Norwalk Senior Center passed with Commissioners Geake, Ramirez, Harris, and Mann voting in favor; Commissioner Burgess opposed. Commissioners Ayme and Borges-Lopez abstained.

Commissioner Ramirez: "Before we continue, I really appreciate it to the Commissioners for their support on behalf of the seniors. Thank you."

Rate Consultant Project Status

Commissioner Burgess: "Item four."

Mr. Hiscock: "Okay, Rate Consultant Project Status. We have been providing data and information to PLM, the consultant on the rates and more specifically, Mayhew Seavey, who is the project leader. We have established a time frame, and we're processing what's called the data request. We're taking information out of our customer information, which is the billing, system, and providing information to the consultant. Based on the schedule, after a meeting last Friday we have determined that probably in the month of April we will have the rate consultant come in issuing a preliminary report in advance for the Commission to review and then to have a general discussion about where we are in the process. The goal would be to finalize this process for the

June meeting, so that by the June meeting there would be a new rate structure and recommendation to the Commission. And if, as a result of the April meeting, the Commission wanted to discuss again with the consultant he could come back in May in addition to coming in June, but by June there would be a firm recommendation for a specific rate structure which would have been explained to the Commission at least in April and possibly in May. So that's the time frame that we're planning on. That would tie into some other issues that we've talked about. We talked about the PPA issue, and the fact that we were going to leave it alone. Then I indicated we might come back and lower it. It becomes problematic when we looked at that, so we're not going to have a recommendation to alter the PPA at all. What really will happen, I think if we proceed in this direction and the Commission agrees, by the June meeting we will have a rate structure, we will know how much revenue that will produce, we will know in what rate classes it will produce it, we will have comparisons to CL&P's rates so we know where all of our customers will be, and if that rate generates insufficient funds to deal with the PPA, and a negative situation, we will then notify CMEEC that we have a final request to withdraw from the Municipal Trust to add to the Rate Stabilization Fund, because they all sort of, kind of work together, as we talked the last time. The Rate Stabilization Fund is related to the rates, the rates are directly related to the revenue, and they're all things that we can deal with. So instead of making requests to lower the PPA in February; and that's why you haven't seen a request in this month's agenda, after talking to the rate consultant about all of the issues, we kind of really believe that this is the best way to go, to do the analysis, do the cost of service study, determine the cost of operating the business; speak to the Commission in April, maybe again in May, and then have a firm recommendation for June. That firm recommendation will be to adopt a new rate schedule effective July 1 of this year; July 1, 2011. That's the progress to date, and I'll answer any questions or... that you might have on this issue, but this is really an update of the progress."

Commissioner Burgess: "Any questions?"

Commissioner Ayme: "Through the Chair, they haven't made a final recommendation as yet, right?"

Mr. Hiscock: "No, they haven't even completed their preliminary work."

Commissioner Ayme: "And how much are we paying this consultant, ballpark?"

Mr. Hiscock: "20,000.00."

Commissioner Ayme: "\$20,000.00?"

Mr. Hiscock: "Very rough ballpark."

Commissioner Ayme: "Okay. Thank you."

Mr. Hiscock: "Very rough. That probably differs from what I said in the minutes last month when we discussed this. I'm sorry, I didn't..."

Commissioner Ayme: "That's okay. Thank you."

Mr. Hiscock: "I don't remember all of the numbers in my head, but it's in that range."

Commissioner Ayme: “Okay.”

Mr. Hiscock: “Okay?”

Commissioner Ayme: “Thank you.”

Commissioner Burgess: “Anymore questions?”

[No remarks]

2011-2012 Budget – Analysis and Discussion

Commissioner Burgess: “Item five.”

Mr. Hiscock: “Okay. Alright, this is a draft budget at this point. It has no recommendation from staff and my office. It has no recommendation at this point because we are still working on some significant problems in this budget. The deficits are very, very large; extremely large, and that’s an issue for us. And they’re large in two ways. Not only does it result in operating losses for both utilities, and that’s not a good thing, but they also end up with negative cash, and that’s a very bad thing. Okay, that means we’re taking money out of our reserve funds, and that’s not a very good position to be in. Last time we met we talked... not... I’m sorry, not the last time the Commission met, the last time the Department Heads and I met over this issue, we talked about ways to change the budget to make it a little bit easier to understand, and the areas that we were having some problems in that we really don’t think makes a lot of sense. In the Electric budget we have a lot of contingent items in the capital budget for line replacement, pole replacement; and in the Water utility we hydrant replacement, we have other similar things that are put in the budget in case we have a difficult, catastrophic event, and to cover it. What that does is it really leaves the... the best place I can show you is if you look in the document on page two. Halfway down the page you will see Closing Balance in the reserve fund, and the Opening Balance in the reserve fund. Because we are approving a significant number of projects, a lot of them will never get spent. We approve the funds in case there is an emergency. It makes us look like we don’t have cash in the fund when we actually do, we never expend it, and then it rolls back in the next fiscal year using the process. There are two other items in the budget that we use in both of the utilities, and it’s usually about \$75,000.00 for emergency capital purchases, other than the specific ones. We have been talking about putting those together into a single line item, one for water, one for electric, and if we run into a catastrophic problem we would come back to the Commission at that time. Example – we had a severe ice storm, and we spent \$300,000 restoring. We haven’t had a severe ice storm to spend \$300,000 on a restoration in a very, very, very long time. So we’re uncomfortable with putting this in the budget every year. It just distorts the numbers, and doesn’t make a lot of sense, only to turn it back in and then redo it in the following year. It just simply doesn’t work, and we’ve really come to that conclusion. We want to come back and talk about it, and modify this budget to reflect that thinking.”

Commissioner Ramirez: “May I, through the Chair? How much money are we talking about to put it...?”

Mr. Hiscock: “There’s probably...”

Commissioner Ramirez: “The reason I ask you is because we want to take advantage to cover a smaller one, and then next year we’re going to have the same problem, so...”

Mr. Hiscock: “Well it’s sort of an ongoing problem in the process that we use, and that’s the real issue. If you look... I’m going to give you a page to look at and you’ll see how dramatic it really becomes.”

Commissioner Ramirez: “If you put it in one line, would that money be budgeted to expend in something else to cover the deficits that we have, or what... how exactly are you planning to utilize that money?”

Mr. Hiscock: “We won’t utilize the money. We won’t budget it either. An example, if you look on page... sorry about this... after page 13 in the budget there are two very long...”

Commissioner Ramirez: “Page 13? Oh, the last...”

Mr. Hiscock: “Right, and after [page] 13 you’ll see two pages entitled “South Norwalk Electric and Water Electric Capital Project Summary Report”.”

Commissioner Ramirez: “Right.”

Mr. Hiscock: “The first page are all of the currently approved projects. The second page is the projects proposed for the current year. You’ll see in the budget, the second line down at the top, says “Emergency Replacement of Conductors and Devices”; and conductor’s is spelled wrong. There’s a typo. Okay, \$200,000. That amount of money is only there in case a conductor burns up, a device burns up, we have an ice storm, and it tears it down, and it’s not repairable. You come down to the next item, “Emergency Pole Replacement”, \$21,000.”

Commissioner Ramirez: “Almost \$23,000.”

Mr. Hiscock: “Okay, the next item is “Purchased Transformers”, \$80,000. We don’t draw from that all of the time. That doesn’t necessarily get expended. So these are the kind of things that we want to put into a single line item...”

Commissioner Ramirez: “Just a little bit over \$300...”

Mr. Hiscock: “...called Miscellaneous Capital Purchases, using the same rule. That will drop the appropriation for this year’s capital projects downward significantly.”

Commissioner Ramirez: “In total over \$300,000, close to \$400,000?”

Mr. Hiscock: “And that’s small, but yes.”

Commissioner Ayme: “Through the Chair, you want to move all these items to a one-line item. Can we...?”

Mr. Hiscock: “And a relatively small item...”

Commissioner Ayme: “Okay.”

Mr. Hiscock: "...not adding them all together at all. That's not my intention here to increase this budget. My intention is to decrease it."

Commissioner Ramirez: "Ahhh, okay."

Commissioner Ayme: "Oh, okay."

Mr. Hiscock: "I certainly have no intention of spending..."

Commissioner Ayme: "But you're throwing the total of the amount into one...?"

Mr. Hiscock: "No, I'm throwing the concept of each of these areas into a single line item, significantly lower than the line item that... than the accumulative addition of all these line items I just ment... in other words..."

Commissioner Ayme: "Okay."

Mr. Hiscock: "...we're going to leave the \$75,000 miscellaneous..."

Commissioner Ayme: "Can we get..."

Mr. Hiscock: "Right."

Commissioner Ayme: "Can we get an appendix page explaining...?"

Mr. Hiscock: "Oh, we're going to go through this again, and I have... the next... there's, there's bad news to this story, and the bad news is it requires another meeting of this Commission."

Commissioner Ayme: "Okay."

Mr. Hiscock: "Now we had an optional meeting scheduled for March 1, and I'll talk about that in a minute. What we're asking to do is go through and revise this document and come up with something a little bit better, including going over all of the previously approved capital projects and starting to cut through them better, and redo it. That means I have to come back to you with a new budget one week before the special, the optional meeting, and you're going to have to sit through an extra meeting."

[Simultaneous laughter]

Commissioner Borges-Lopez: "Definitely. I agree to the extra meeting."

Commissioner Ramirez: "If it has to be done, it has to be done."

Mr. Hiscock: "It really does. There's no way to sustain this."

Commissioner Ayme: "Yes, all I'm saying is that whatever changes are made from here, just to be clear and clarify my own point, is that whatever changes are made here that are reflected on the new budget that you're going to be working on, can we get specifications on a separate page of all the...?"

Mr. Hiscock: "Oh, of all the changes?"

Commissioner Ayme: "Yes."

Mr. Hiscock: "Oh, yes, we can certainly do that."

Commissioner Ayme: "Oh, okay."

Mr. Hiscock: "That's not a problem."

Commissioner Ramirez: "Summarize."

Mr. Hiscock: "We can give you a list. We will actually replace this document with a new one."

Commissioner Ayme: "Right."

Commissioner Ramirez: "You're referring to a summary [directed to Commissioner Ayme]."

Mr. Hiscock: "But we can also give you a listing of what we've done..."

Commissioner Ayme: "Oh, okay."

Mr. Hiscock: "...so that it makes it easier for you to see the changes..."

Commissioner Ayme: "Right."

Mr. Hiscock: "...you don't have to hunt yourself."

Commissioner Ayme: "Okay."

Mr. Hiscock: "Okay?"

Commissioner Ayme: "Thank you."

Commissioner Ramirez: "A small summary."

Mr. Hiscock: "But an example of the issue, if you go to page... and we'll take a few more minutes, if you don't mind, to go over this. If you look at, as an example, the... page six, we have the Water operating budget. Okay, and if you look in the left hand column you'll see, halfway down the page, a total revenue of \$6.8 million, okay?"

Commissioner Mann: "Okay."

Mr. Hiscock: "Which is down slightly from 2010-2011 budget at \$7.1, but that's not the issue. And then you go over to the next page on seven, and at the top you look at total expense of \$5.6. So this is a cash basis net operating income. The utility is taking in \$1.4 million more than it's expending. But this is the operating budget only. Then you go further down, and you look at the items that cause the difficulty; \$331,000 on the New Canaan Bond Issue Debt. The good news is this is the last year we pay it, so that's an interesting item. That \$331,000 will not be in next year's

budget. That's a good thing. But you move down to the principal and debt on the filtration plant; principal on debt and interest on debt. You know, that's \$1.5 million, so that that \$1.4 million of revenue in excess of expense is eaten up right there. Okay, this is an issue. And then we move down to the capital appropriations of \$302,000. These are the projects. And then the ending result of that is that we end up with a reserve fund that goes even further negative than we are. Now, simply this points out a couple of issues. One, we can continue to try to cut expenses. We've been pretty much doing that. As I've said to you before, we're not filling positions as they're vacated. We're doing our absolute best. One of the big drivers is healthcare, and we talked about that issue. The other choice, when you consider the debt is fixed and the capital appropriations are probably pretty small compared to what they've ever been, we're going to have to deal with the rate issue. There's no doubt that we will not be able to continue a cost-of-living based only rate increase in the water utility come July. That's just not going to work. So on the water utility we are clearly going to need to change the rates significantly. An example, just to give you an example, a 10% increase in rates is going to bring in about another \$680,000. A 20% increase is \$1.2 million. We're not going to propose that we catch up this problem all in one year. That's just unreasonable. But we may recommend to do it over two years. But that's going to be an increase in the order of magnitude of 10%. That's a number that will not put us significantly higher than... well it won't put us higher than the median in the state. We'll still be in a good spot. And you'll get the same kind of report that you always get, you know, showing you where we are in relationship to everybody else. That still will look favorable. That doesn't mean that we should just do that, because it's customers' money, but that's an example. I can go through the same example for the electric utility, and I'd like to do that to show you the big difference between the two utilities. We have a problem in the electric utility. It's a different problem, okay, but it's still a problem..."

Commissioner Ayme: "Before we get into that, through the Chair, as I'm sure we all realize, as I do, that even though the deficit, bottom line, is \$1.8 million, that deficit will be, as it happens almost every year, it will be decreased by things that were not... monies that were not spent."

Mr. Hiscock: "Yes."

Commissioner Ayme: "Okay, and we always go through that. Basically we always go through... I'm not saying that the whole thing will be wiped out..."

Mr. Hiscock: "Oh no, not even close."

Commissioner Ayme: "Not the whole thing, but it's possible that it will be reduced. There was another thing here that I was looking at. In terms... in terms of the... let me see... if there is a... is there anything that you can put a freeze on; expenditures?"

Mr. Hiscock: "Most of our expenditures are driven by labor, okay, and the components related to labor, which are the benefits. That's a fairly large portion, and this budget isn't broken down in a way that I can really show you that. That's a real... it's not broken down that way. Changing that, we are handling by simply not filling positions. That's just the way we're dealing with that. We're not contemplating laying off. We're kind of in a skinny spot right now. Material costs are material costs. The example, in a water utility material costs are chemicals for the filtration plant. That's a big number, and that's a bulk of it..."

Commissioner Ayme: "That cannot be touched. You cannot touch that, can you?"

Mr. Hiscock: "No."

Commissioner Ayme: "No."

Mr. Hiscock: "No. Those are the chemicals that are necessary to produce water quality, and you will not change those. You need a certain dosage rate to get the water to a certain level of cleanliness."

Commissioner Ayme: "Right."

Mr. Hiscock: "The other things that we've done in the past year on the electric side, and not the electric 'utility' side, on the water utility 'electric' power costs, we have recently signed a contract with ConEd Solutions as an alternate energy supplier. So we're doing our best to drive our electric costs down. The same kind of thing that homeowner's do, we're taking advantage of. We kind of think we're in a bare bones position. We could lower the capital spending, and we're going to take a look at that and see if we can do better. Our water utility capital spending is dropping to \$300 and something thousand. It's not much. \$302,000, and it's on page... after page seven. We're looking carefully at some of these expenditures. The thing that would be a savings is the miscellaneous capital projects. We have \$75,000 in there from a prior year. We have \$75,000 in this year. We generally don't spend that. That's that thing that we don't spend a lot of, but it's there in case something catastrophic happens. We don't have much in the budget. We've got service replacements - when they leak we've got to fix them; upgrade hydrants - if a hydrant is hit or in very, very bad shape we replace it; we've got a bad pump at Bartlett Avenue we need to replace; miscellaneous operations equipment - \$14,000; we've got install a main on Aviation Court for \$52,000, we could defer that, you know, we get into deferred maintenance, but... we'll take a look back at it, but we're pretty tight on this budget."

Commissioner Ayme: "There's just another item that I'd like to mention..."

Mr. Hiscock: "Sure."

Commissioner Ayme: "...and that's, that's... I don't think it's... it cannot be reflected, it has not been reflected, I don't think, and that's the savings from the new meters. We should be getting some money back on that as we talked about before."

Commissioner Ramirez: "Savings from where?"

Commissioner Ayme: "The new meters."

Commissioner Ramirez: "Oh."

Mr. Hiscock: "Okay, right now the bulk of the new metering program is in the electric budget. There's parts for our staff installation in the water budget in here. We have a grant. We appropriated approximately \$2 million for the AMI Project. We're getting a 50% grant from the Feds under the stimulus funds, but unfortunately what happens with any grant, the paperwork, the implementation, and all of it adds to the cost, so... and these are very round numbers for you. If the project was originally \$2 million, since we've gotten the grant, and all of the requirements, and we're getting a little bit of additional functionality from the system, the cost is going to go to \$3 million. And we're going to get \$1.5 back. So the difference is to get this grant is... we're going to

save about \$500,000. The original \$2 million project is going to go from \$2 million, after we get the grant, down to \$1.5 million, so that's \$500,000; now these are working numbers, because of all the requirements that we deal with, all of the reporting, all of the additional requirements, all of the grant administration, all of the reporting. So in essence, what are we going to get out of this? We're going to get a 25% grant, which is nothing to complain about other than our staff is a little uncomfortable with the amount of things that they're doing these days, and work, but yes... and from a practical perspective it wouldn't have... it would have been imprudent to turn the grant down. It would have been imprudent; one, because it's money, as small as it might be in relationship to the original 50% grant; and two, you run into criticism when you do that. It just... it's hard to stand up and say you know what, the grant really is not worth what we're getting out of it, so you don't. If you're going to get a grant, as long as it doesn't cost you more than you had originally planned you deal with it, and that's what we're doing. So the long story short..."

Commissioner Ayme: "But in the end we'll get...?"

Mr. Hiscock: "...is in the end about \$500,000 of that previously approved item will come back to us on the electric side. Okay, so it's helpful. It's always helpful."

Commissioner Ayme: "On the electric... on the water side?"

Mr. Hiscock: "On the electric side."

Commissioner Ayme: "On the electric side."

Mr. Hiscock: "All of the budgeted to date for the AMI project has been on the electric side."

Commissioner Ayme: "Oh, on the electric side. Oh, that's right. I'm sorry. I'm sorry. You're right."

Mr. Hiscock: "2011-12 is the first year we're budgeting for the water, because by June we'll be done with the electric portion of it."

Commissioner Ayme: "Right."

Mr. Hiscock: "We'll have everything in place."

Commissioner Ayme: "So that should be realized when?"

Mr. Hiscock: "By the time we bill the Feds through CMEEC and get it back, sometime in the summer. Now you know we're also getting payments as we go, but we're also spending money as we go. But the end effect will appear sometime in the summer. So it may not get into this audit cycle and get turned back on paper, but the cash will sit in our bank accounts, and that's one of the illustrations that we need to talk about, that we have a lot more cash in the bank than our reserve funds show, because the reserve funds have really been over-allocated."

Commissioner Ayme: "Okay, my last question is that are you anticipating any liquidations on the notes that we have, the... how do you call that, CD, certificates of...?"

Mr. Hiscock: "No."

Commissioner Ayme: "We are not?"

Mr. Hiscock: "No."

Commissioner Ayme: "Good."

Mr. Hiscock: "No."

Commissioner Ayme: "Okay. Thank you."

Mr. Hiscock: "We are not having a cash flow issue, we're having a budgetary issue, and they are a little bit different."

Commissioner Ayme: "Alright. Alright."

Mr. Hiscock: "Okay, other questions on the Water budget?"

[No remarks]

Mr. Hiscock: "Okay, the Electric budget, and I'm going to stop after we go over the page and show you the difference between the two utilities and the problems of the two utilities. If you go to page 12, this is a different sort of a problem. It all comes down to dollars, but it's a different problem. If you look at the middle of the page on 12, in the left-hand series of numbers you'll see the total revenue projected for 2011-12 is \$15.7 million. Okay, flip the page and go to the top of the page in that column, total expenses \$17 million. That's a negative. A negative, right from the get go. That's not a good thing, okay, but I want to remind you of that big item that we've talked about a lot, that when you go back to page 12, purchased electricity, \$11.1 million is purchased electricity. So while we take in \$15.7 [million], \$11 something of it goes back right out to our wholesale supplier. If you take the ratio of our revenue to our annual electric bill and work backwards over time, you will see that that number continues to climb. Purchased power is now well in excess of, what, 15 divided into 11, that's a pretty big percentage. That's 70- something percent. I don't have a calculator, but that's a big number, and it's been climbing, and that's a difficulty for us. That difficulty has to be reconciled and figured out. And we're going to look at this in the rate study and try to determine exactly how to deal with it. It kind of, in very general terms, it says that we are not charging enough for our electricity."

Commissioner Ramirez: "As simple as that."

Mr. Hiscock: "Okay, it's a real easy thing to say."

Commissioner Ramirez: "That's it."

Mr. Hiscock: "And this is not a difficult situation in the 2004/05/06/07/08 range, because the cost of power was less. Now power is getting more expensive. That makes this problem worse. Okay, the other problem that we're running into is the spot market of electricity, as we have mentioned before, is currently low. That creates a problem. We buy our electricity in very stable, very carefully hedged amounts, and if the price of electricity goes through the roof next year, or the year after, or the year after, we're going to look great again; but our problem is electricity goes like this in pricing, and it always has, and we try to price it to our customers like this, with a slight increase."

And in the 2003/04/05/06/07 range we looked great. In the 2008/09/10/11/12 we're not looking great. So that's an issue, and we're going to look at this. That's where the real problem in electric is. Okay, it's not paying off bonded indebtedness, because we have none. Okay, there is no bonded indebtedness. We don't owe anybody any electric funds. On the other hand, we're spending more than we're taking in. That's a problem."

Commissioner Ramirez: "We just need to build our own station."

Mr. Hiscock: "We need to try to come up with a rate structure that makes sense."

Commissioner Ramirez: "I said we just need to build our own station [laughing]."

Mr. Hiscock: "Well, that doesn't work, because you compete against the very, very, very large, very efficient facilities. Power..."

Commissioner Ayme: "You never know."

Mr. Hiscock: "...for the most part is based on the cost of energy, and the cost of energy drives the cost of power, and that's simply the way it is. And only..."

Commissioner Ayme: "You never know."

Mr. Hiscock: "...large, modern plants are fuel efficient. Small modern plants are not. That's the... truly what the issue is. It's the efficiency of a plant based on size. That's why you don't build your own plant today, and nobody does. Everybody gets together and builds plants jointly."

Commissioner Ayme: "Would it be fair to say that if we had done what we actually needed... not only wanted to do, but needed to do, at... you know, way back when, that we would be in a worse shape than we are in now? If we had... well, that's only a comment, it's not..."

Mr. Hiscock: "It's hard to say. If we had built the 50 megawatt plant we would have had partners. They would have shared in the positive cash flow. We would have had positive cash flow up and through about last year, then we'd be a negative cash flow, and we'd be in a plant that sort of is, sort right in the middle of energy efficiency, okay, not real efficient, but reasonably well efficient. So that might not have been the answer."

Commissioner Ayme: "What would you say is a good, the best business climate in order to develop what we wanted to develop, that 50 megawatt plant?"

Mr. Hiscock: "High capacity market."

Commissioner Ayme: "High capacity market."

Mr. Hiscock: "High capacity market, when there's not enough generation to go around, then that drives the price up. So that's the issue in the electric utility. That will be... and this is kind of a statement that's very obvious to you, that both of these problems will be solved with changes in rate structures, and changes in rate structures upward, which is something we don't want to do. Truly the problem is related to the fact that we do our best to keep the rates as low as we can possibly do it, and sometimes we keep them a little bit lower than economics would dictate. I think in the end

it's going to result in us... and this really all came about because we, in the electric utility, set a target, and that target was we keep our residential rates 30% below CL&P, and we'd set our commercial rates at 10% below CL&P, and we were very successful in doing that in years when their prices were high and the market price for electricity was high. I'm talking the wholesale. That's not the way it is today, so we're suffering from that. I'm going to leave it at that, and say we're going to go forward from here. We will do our best to continue to trim, but it's going to be difficult, and if we turn capital projects back in, which this budget will do, it'll be fine. It'll leave the cash in the funds more matching the cash in the bank. Will it solve the actual problem of we're spending more than we're taking in? No."

Commissioner Ramirez: "Absolutely not."

Mr. Hiscock: "So that's the bad news."

Commissioner Ramirez: "Chair?"

Commissioner Burgess: "Go ahead."

Commissioner Harris: "Through the Chair, I have a question. Will we always be able to stay that percentage lower than CL&P, or no?"

Mr. Hiscock: "I don't think so. I think the outcome of the rate study is going to say no. Certainly not in the current market we're in. We won't be able to maintain that margin."

Commissioner Harris: "Do you have a ballpark? Do you have what it may be?"

Mr. Hiscock: "No, not really, other than maybe it'll be 15% lower on the residential and 5% on the commercial. I don't know. We need to really look at these numbers and try to figure that out. That's the issue, and until we can have the rate analysis done it's going to be hard to say. Literally, what we do, we go out and we take all of the customer base, all of the customers, and we identify in groupings, you know, how much they use, how much they pay, how much is in the minimum charge, how much is in the first block, how much is in the second, and we get all the statistical data, and then we create a rate structure, and we plug all of the statistical data into the rate structure, and come up with the amount of money it will produce. So we sort of work backwards, figure out how much money we need to produce, and then try to, sort of through this iterative process, change the rate structure, match it up against CL&P to see what it looks like, see how much revenue it will produce, and decide if we can live on that much revenue. That's a simplistic approach to what we're doing."

Commissioner Harris: "Wow."

Mr. Hiscock: "Now the only issue I have with the optional March 1st meeting is that we scheduled, and we haven't scheduled it publicly other than it's been in the board book and we've talked about it, I'm supposed to be in Washington D.C. on Monday, Tuesday, and Wednesday of that week to do an American Public Power series of meetings with our local congressional delegation. What I'm sort of requesting is whether or not we can move that to March 3rd, which is a Thursday night, in the same week, and that tentative schedule is in your... I think we handed it out tonight loosely. Yours doesn't have the yellow on it. The bottom line is by March 7th, according to Charter, we have to have the tentative budget, and tentative doesn't mean draft, I mean that's basically the budget we're

going to propose, we need the tentative budget to be published, to be put together, approved, for publishing in the Hour. Okay, so we back up against that 7th date. Does that seem to work with the Commission?”

Commissioner Harris: “March 3rd?”

Mr. Hiscock: “Yes.”

Commissioner Borges-Lopez: “March what?”

Mr. Hiscock: “3rd.”

Commissioner Harris: “March 3rd, Thursday.”

Commissioner Borges-Lopez: “My birthday again.”

Commissioner Geake: “I was March 1st and I was willing to come in on my birthday.”

Commissioner Mann: “That’s your birthday [laughing]?”

Commissioner Geake: “Yes, hers is March 3rd.”

Commissioner Ramirez: “Happy birthday...”

Mr. Hiscock: “Well you know we actually, we tried very hard to plan this to make it on your birthday.”

Commissioner Borges-Lopez: “Yes.”

Mr. Hiscock: “We tried.”

[Simultaneous laughter]

Commissioner Ramirez: “Okay, 7:00 p.m.?”

Commissioner Ayme: “So we have a meeting on March 1st?”

Commissioner Harris: “March 3rd [responding to Commissioner Ayme].”

Commissioner Ramirez: “No, no, no, March 3rd.”

Commissioner Ayme: “The 3rd.”

Mr. Hiscock: “Well we have a... we originally scheduled for March 1st.”

Commissioner Ramirez: “Okay.”

Commissioner Ayme: “So now it’s changed.”

Mr. Hiscock: "Well it hasn't changed yet. We're trying to get a consensus here."

Commissioner Ayme: "Okay, I have no problem."

Mr. Hiscock: "Okay. If we try for Wednesday night the 6th I can't be back by then. I won't be back until..."

Commissioner Ramirez: "March 3rd at 7:00 p.m.?"

Mr. Hiscock: "Yes, if that's alright with the Commission."

Ms. Fox: "It has to be before the 5th."

Mr. Hiscock: "Yes."

Commissioner Borges-Lopez: "March what?"

Mr. Hiscock: "And I don't think we want to meet on a..."

Commissioner Harris: "March 3rd is your birthday."

Mr. Hiscock: "We don't want to meet on a Friday night, do we?"

Commissioner Mann: "Well."

Commissioner Burgess: "No."

Mr. Hiscock: "Okay, and I don't think we want to work on a Saturday or Sunday."

Commissioner Mann: "Mimi says no, but I mean, like 6:00 p.m."

Mr. Hiscock: "We..."

Commissioner Mann: "So we can celebrate your birthday [directed to Commissioner Borges-Lopez]."

Commissioner Ayme: "How long will you be away [directed to Mr. Hiscock]?"

Ms. Fox: "It can't be on the 5th."

Commissioner Borges-Lopez: "I'm sorry [responding to Commissioner Mann]."

Commissioner Harris: "No, I think she should bring ice cream and cake."

Ms. Fox: "It has to be before the 5th, because..."

Mr. Hiscock: "Yes, it's got to be before the 5th, so we can't go to the following week."

Commissioner Borges-Lopez: "My family won't let me."

Commissioner Ayme: “And you’ll be away for how long?”

Commissioner Ramirez: “Three days.”

Commissioner Ayme: “Three days?”

Commissioner Harris: “What about 6:00?”

Mr. Hiscock: “Well wait a minute. The electors’ budget meeting notice gets posted in the Hour on the 5th, that’s the notice.”

Ms. Fox: “And it indicates that...”

Mr. Hiscock: “Oh, it’s available to be picked up, right?”

Ms. Fox: “Yes.”

Commissioner Ramirez: “Right.”

Mr. Hiscock: “That’s right.”

Commissioner Ramirez: “Just leave it...”

Mr. Hiscock: “You’re 100% right, Candace [Ms. Fox].”

Commissioner Ramirez: “We can excuse (inaudible) birthday.”

Commissioner Harris: “No, I think Maria [Commissioner Borges-Lopez] has to come.”

Commissioner Ramirez: “Well bring your cake [directed to Commissioner Borges-Lopez].”

Commissioner Harris: “Cake and ice cream, exactly, and the ice cream.”

Commissioner Ramirez: “Well bring your cake and...”

Ms. Fox: “The 3rd (inaudible)...?”

Commissioner Harris: “The 3rd? I think so.”

Commissioner Borges-Lopez: “What’s that [directed to Ms. Fox]?”

Ms. Fox: “The 3rd.”

Commissioner Geake: “Monday [directed to Mr. Hiscock].”

Mr. Hiscock: “No, I’m going to be gone by then [responding to Commissioner Geake].”

Commissioner Mann: “That’s Maria’s birthday.”

Commissioner Borges-Lopez: "That's my birthday."

Mr. Hiscock: "Yes, I'm leaving at noon on the 28th, and I'll be back about 10:00..."

Commissioner Borges-Lopez: "All day."

[Simultaneous laughter]

Commissioner Ramirez: "Are we going to leave it for the 3rd?"

Mr. Hiscock: "The other choice would be the 24th of February."

Commissioner Borges-Lopez: "February 24th."

Mr. Hiscock: "That would be earlier. Now that would give us only eight days for the staff to make these changes. That's a little tight. So at this point it's either... oh, you've got to hit that button, sorry [speaking to Commissioner Geake]. So it's either the 24th or the 3rd."

Commissioner Ramirez: "Well if we do it the 24th, I think you've got plenty of time then, huh?"

Mr. Hiscock: "The other choice by the way... well, some of you work. I was going to say we could do it earlier in the day since you're not going to get public participation, but that's not going to work because it's..."

Commissioner Borges-Lopez: "Early in the day, what day?"

Mr. Hiscock: "On the 3rd."

[Commissioner Borges-Lopez shook her head no]

Mr. Hiscock: "You're not working at all on the 3rd?"

[Commissioner Borges-Lopez shook her head no]

Commissioner Ramirez: "Can't do it."

Mr. Hiscock: "Oh wow."

Commissioner Ramirez: "What about the 24th then?"

Commissioner Ayme: "He said it's going to be tight."

Commissioner Harris: "That's not giving the staff enough time."

Commissioner Mann: "When are you leaving for your trip, John?"

Mr. Hiscock: "The reason for my trip is to..."

Commissioner Mann: "No, when are you leaving?"

Mr. Hiscock: "The 28th, in the afternoon."

Commissioner Mann: "Oh, okay."

Commissioner Ayme: "And you'll be back when?"

Mr. Hiscock: "The 24th... no, I'm sorry, the 2nd at about 9:00 at night."

Commissioner Ayme: "On the 2nd? You'll be back on the 2nd?"

Mr. Hiscock: "Yes, but I don't think we want to meet at 9:00, and by then I'll be..."

Commissioner Mann: "No."

Mr. Hiscock: "And I truly don't want to get off the train and walk through the door and have to sit here."

Commissioner Ayme: "I don't know about the rest of the Commissioners, I don't have a problem on the 24th, and I don't have a problem on the 3rd, if you want to make it..."

Mr. Hiscock: "How's the 24th at this point?"

Commissioner Ayme: "Either way I can do it."

Commissioner Borges-Lopez: "The 24th is... I can do the 24th."

Commissioner Ramirez: "I think the 24th would be (inaudible)."

Mr. Hiscock: "Fine, we'll do the 24th."

Commissioner Ayme: "But..."

Mr. Hiscock: "It's okay."

Commissioner Ayme: "Okay."

Mr. Hiscock: "We'll do the 24th."

Commissioner Ayme: "You said the 24th was going to be tight."

Mr. Hiscock: "Yes, that's okay. It will be tight."

Commissioner Ayme: "That's alright?"

Mr. Hiscock: "Yes, there's a difference between tight and not doable, okay."

Commissioner Ramirez: "[Laughing] I like that."

Commissioner Borges-Lopez: "7:00, or do you want to do it earlier?"

Commissioner Harris: "Can we do it at 6:00? Is 6:00 okay?"

Mr. Hiscock: "6:00, does that work for everybody?"

Commissioner Ayme: "6:00 is a problem."

Commissioner Harris: "Is that a problem for you?"

Mr. Hiscock: "Okay, 7:00."

Commissioner Harris: "February 24th?"

Mr. Hiscock: "February 24th at 7:00 p.m."

Commissioner Borges-Lopez: "Okay."

Commissioner Burgess: "Okay. Now nobody has a problem with that, right?"

Commissioner Ramirez: "And we're going to miss the cake."

Commissioner Harris: "Yes, I was going to say, I want cake and ice cream."

Commissioner Ramirez: "We're going to miss the cake."

Commissioner Harris: "Well maybe Maria can bring it anyway."

Commissioner Borges-Lopez: "Okay."

Commissioner Harris: "Okay, it's on the record."

Commissioner Burgess: "Is that it for your...?"

Mr. Hiscock: "That's it."

Commissioner Ayme: "That's it."

Mr. Hiscock: "Sorry about that. Sorry Art [directed to Attorney Miller]."

Public Participation

Commissioner Burgess: "Public participation."

Commissioner Harris: "Public participation."

Mr. Geake: "No, I (inaudible) John [Mr. Hiscock] in private."

CMEEC/SNEW Power Sales Agreement – Discussion

Commissioner Burgess: "Item seven."

Mr. Hiscock: “Okay, I’m going to request, and the agenda indicates it, that we move to executive session. The reason for moving to executive session is a discussion about the Power Sales Agreement, which is a contract between the cooperative and ourselves, and requests previously submitted to SNEW by the cooperative to extend the Power Sales Agreement beyond its current date. As a result of that we’ve had considerable discussion, negotiations, and Arthur Miller and I have been going through the issues and ramifications, and trying to make a determination as to which way to deal with CMEEC’s request. And so since it does involve a contract negotiation it’s appropriate to go to executive session.”

[Mr. Geake left the meeting room]

Commissioner Burgess: “We need a motion to go into executive session.”

Commissioner Ayme: “Alright, so moved.”

Commissioner Ramirez: “Second.”

Commissioner Burgess: “All in favor?”

Commissioners simultaneously: “Aye.”

Commissioner Ayme made a motion to go into executive session. Commissioner Ramirez seconded and the motion passed unanimously with all seven Commissioners present voting in favor and none opposed.

EXECUTIVE SESSION

The District Commissioners moved into executive session at 8:35 p.m. The purpose of the executive session was to discuss contract negotiations related to the Power Sales Agreement.

Present in executive session were Commissioners Burgess, Ayme, Borges-Lopez, Geake, Harris, Mann, and Ramirez; General Manager, John M. Hiscock; District Counsel, Arthur Miller; and District Clerk, Candace Fox.

REGULAR SESSION

Commissioner Burgess made a motion to return to regular session. Commissioner Harris seconded and the motion passed unanimously with all seven Commissioners present voting in favor and none opposed.

The District Commissioners returned to regular session at 9:46 p.m. There was no action taken as a result of the executive session.

Commissioner Burgess: “We are back in regular session, and as a result of the executive session there will be no action taken this evening.”

Commissioner Ayme: “Alright, move to adjourn.”

Commissioner Burgess: “Second. All in favor?”

Commissioners simultaneously: “Aye.”

Commissioner Ayme made a motion to adjourn the meeting. Commissioner Burgess seconded and the motion passed unanimously with all seven Commissioners present voting in favor and none opposed.

Adjournment

The meeting adjourned at 9:46 p.m.

Attest:

Candace Fox
District Clerk