

SECOND TAXING DISTRICT COMMISSIONERS
Regular Meeting
March 13, 2012

Present:	Mary E. Burgess Al Ayme Maria Borges-Lopez Mary Geake Mary Mann	Chairperson Vice Chairperson
Also Present:	John M. Hiscock Gwendolyn Gonzalez Kevin Barber	General Manager Asst. District Clerk Director Admin & Customer Service
Absent:	Sherelle Harris Cesar Ramirez	

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 March 13, 2012. The meeting was held at South Norwalk Electric and Water, One State Street, South Norwalk Connecticut.

Regular Agenda

Approve and Recommend to the Electors the 2012-2013 District Budget

Commissioner Burgess: “The first order of business is to Approve and Recommend to the Electors the 2012-2013 District Budget.”

Mr. Hiscock: “After last week’s meeting we modified the Budget in accordance with the decision of the Commission. I issued a brief Memorandum to you, based on the Memorandum from Kevin Barber to Myself which was a detailed explanation of the modifications. I have a copy here if anybody wants a copy, I believe it was also in your Board Book but I figured I’d bring an extra set. This only went out to you recently because it was done it went out via email so some of you may have not even picked it up, but it a good explanation of what exactly what happened and a consequences. I figured I’d give you a minute to scan through it and then we can talk about it.”

Commissioner Burgess: “I presume the motion that I need should be to Approve and Recommend to the Modified District Budget correct?”

Mr. Hiscock: “Yes, what we will do is we’ll substitute the draft #2 in the larger budget document the official version we will change the title on the document from draft budget

to proposed budget and that will be the budget that will be available to the Elector's tomorrow, if in fact that is what occurs this evening, late tomorrow because we obviously have a lot of work to do tomorrow, to straighten this all out."

Commissioner Burgess: "Is there a motion on this item?"

Commissioner Borges-Lopez: "So moved."

Commissioner Burgess: "Yes."

Commissioner Borges-Lopez: "I move that we recommend the Budget 2012-2013 the revised budget to the Electors."

Commissioner Burgess: "Is there a second?"

Commissioner Geake: "I second it."

Commissioner Burgess: "Okay."

Commissioner Mann: "One abstention."

Commissioner Burgess: "Okay."

Commissioner Ayme: "Discussion."

Commissioner Burgess: "Is there any discussion?"

Commissioner Ayme: "Yes, at this point I would like to propose, two additional changes. One change being towards the changing the medical insurance the employees, I believe we are making a contribution in the full amount of the deductible."

Mr. Hiscock: "Correct."

Commissioner Ayme: "Okay, I'd like propose that we cut that in half, and allow the employees to establish HSA accounts with payroll deductions."

Mr. Hiscock: "Okay."

Commissioner Burgess: "Yes."

Mr. Hiscock: "Ah..."

Commissioner Ayme: "If I may."

Mr. Hiscock: "Go ahead."

Commissioner Ayme: "That's one, the second, the second proposal I'd like to make at this time employees that do not take their vacation every year, they accumulate it. I'd like to propose that at this time employees have to take their vacation time within the same year or lose it, because what happens at the end when they are ready to retire they have an accumulation of x number of weeks and that I believe explains the flow of cash within both the Electrical and the Water Company."

Commissioner Burgess: "Yes, Commissioner."

Commissioner Borges-Lopez: "Can I make a comment on that? I believe and Mr. Hiscock can correct me if I'm wrong but changes to the medical policy would have to be done at the time of renewal, not at this time and with regards to the vacation I believe that falls under the policy, Employee Policy Manual would have to be changed."

Mr. Hiscock: "Okay."

Commissioner Borges-Lopez: "You can correct me but, I just wanted to throw it out there and..."

Mr. Hiscock: "Yeah, I don't know who I'm supposed to respond to at this point Madam Chairman. I go either way or I'll free for all at this point."

Commissioner Ayme: "Let's hear what you have to say, go ahead."

Mr. Hiscock: "Couple of issues, with respect to medical if we decide to make that change if the Commission decides to make that change it will only take effective January 1 of [20]13 which means it will affect one half of the budget year."

Commissioner Ayme: "I understand. Okay."

Mr. Hiscock: "With respect to the other issue, with respect to vacation that is also in the Employee Manual and it would require a change to the Employee Manual as indicated by Commissioner Borges-Lopez. However, if you wanted to budget on a speculative bases that the Commission would approve those changes that would be up to the Commission certainly."

Commissioner Ayme: "What you are saying is that the medical, the proposal to the medical insurance that we're making now would only affect one half of the budget year?"

Mr. Hiscock: "It would only affect one half of the budget year but let me go a little bit further in detail so that you understand completely. The HSA is funded by the Department in January of each year, because the HSA runs on a calendar year it runs on a tax year. So that in essence what would happen in this particular case and I've gotta try and think of the logic and the timing. If you took the HSA contribution and cut it in half, it's paid in January so it appears in the January section of the budget, so you would cut in

half. It's been already paid for this year so you wouldn't affect this year, and since it's paid as a lump sum based on rule at the beginning of the year, yes it would affect the upcoming budget to the same exact amount you would cut, in other words you would take the employee contribution for family and it would be \$2,000 instead of \$4,000, I think is what you indicated, and for single it would be \$1,000 instead of \$2,000. So the affect of that would affect one this budget but you would really need to go back to the employee manual and take care of it there."

Commissioner Ayme: "But what's the time frame do we have time to do that?"

Mr. Hiscock: "The employee manual changes would simply just require them to be on the agenda and receive an affirmative vote from the Commission. You would have to consider the time frame, you would have to consider the effective date and all of those related issues and try to work out a plan that would make some sense as opposed to (bad word) a plan that would phase it in appropriately to match the time frame and whatever happens in the employee manual."

Commissioner Ayme: "What would it take a special meeting?"

Mr. Hiscock: "No, it would take, at any point and time it was placed on agenda either by a request of four Commissioners or action of the Chair."

Commissioner Ayme: "Since we have to present this budget to the Electors on, what date is that?"

Mr. Hiscock: "Next Tuesday."

Commissioner Ayme: "Next Tuesday, wouldn't that require a special meeting between then and now and Tuesday? So we can effectively make the changes?"

Mr. Hiscock: "You are suggesting that we hold a special meeting between now and."

Commissioner Ayme: "And Tuesday."

Mr. Hiscock: "Tuesday, for the purpose of addressing the employee manual?"

Commissioner Ayme: "Well it's up to the Commissioner's. Do you think it's feasible?"

Mr. Hiscock: "I don't think I can have all of the information for you. I've gotta check with Benefit Planning and determine what happens when you attempt to change a plan in the middle of the year. Would these changes be effective January 1, for the insurance and when would they be effective for the vacation proposal. Since I wasn't aware that this was going to come up I haven't thought through the process yet, I do have to check with legal counsel to make a determination with respect to that issue. I do know that you the Commission certainly has the right to change the employee manual at any time and we

have done Employee Manual Changes in the middle of the years. It's occurred so it certainly something you can do."

Commissioner Burgess: "Is there any other discussion?"

Commissioner Borges-Lopez: "I would recommend that with the medical insurance just because of the HSA and the beginning of the year, like being on the calendar year that we should really revisit this at the time of renewal. So that, that decision made then as to what the contribution would be for the employees. It would be a seamless transaction you know rather than now and going back with the..."

Commissioner Ayme: "What's the renewal date?"

Commissioner Borges-Lopez: "I'm sorry?"

Commissioner Ayme: "The renewal of the insurance?"

Mr. Hiscock: "January 1."

Commissioner Borges-Lopez: "January 1."

Commissioner Ayme: "So we have time."

Commissioner Borges-Lopez: "I think that's something that we can revisit around... When do you get the quotes for the?"

Mr. Hiscock: "We get the quotes generally in November, and what I would say to you that if you budget the full amount it doesn't mean you have to spend it there's no obligation to spend it, so you could delay the decision until the fall until you get all of the information and make a determination at that time."

Commissioner Ayme: "Fall of this year?"

Mr. Hiscock: "And then you (inaudible) spend it, but I don't believe that there's any way that you would be able to change the HSA plan midyear. It has significant tax consequences to everybody."

Commissioner Borges-Lopez: "Yes."

Mr. Hiscock: "That would be a difficult situation."

Commissioner Ayme: "Okay."

Mr. Hiscock: "But I do believe."

Commissioner Ayme: "Even if we have a special meeting this week it won't take effect until January 1."

Mr. Hiscock: "I believe that sub to checking with both..."

Commissioner Ayme: "Then we have time and we can wait for the fall."

Mr. Hiscock: "Yeah, subject to check but that is my belief that you cannot change the plan midyear because of the tax, the IRS tax code ramifications of doing that."

Commissioner Ayme: "Okay."

Mr. Hiscock: "And that money is already given to the employee at the beginning of the plan and it is theirs legally."

Commissioner Ayme: "Okay."

Mr. Hiscock: "So to effectuate what you want the appropriate time would be the fall."

Commissioner Ayme: "Okay, in terms of the changes to the vacations plans that we have within the employee's manual, what's the time frame?"

Mr. Hiscock: "That you can do at any point and time, you certainly can if the Commission agrees schedule or if the Chairman agrees schedule a special meeting you can do it at the next monthly meeting. I think that you probably need to give the employees fair warning."

Commissioner Ayme: "Okay."

Mr. Hiscock: "That you are going to do this, I don't mean they should enter into the debate that was not my point. My point is you can't make that decision for this year late in the year because that puts the Department in a difficult with respect to vacation."

Commissioner Ayme: "I understand."

Mr. Hiscock: "Now you did say one thing that I would like to correct if you don't mind, vacation is not accumulated over the long haul for employees at retirement."

Commissioner Ayme: "Okay."

Mr. Hiscock: "Vacation is trued up every year, and zero balanced."

Commissioner Ayme: "Okay."

Mr. Hiscock: "With one exception, if you don't use vacation in the calendar year in which it's earned you get to, you get paid for it, okay in January. You can elect to defer up to half of that vacation for use in the spring but in any case the first pay period in May your account from prior years is zeroed. So we do not accumulate it so that when you retire you have two or three hundred days or any of that. That does not happen. The other issue is both sick time and vacation time are accounted for on an accrual bases so that if you look in the audit you will find there is a sick time benefit accrual that list the very specific amount. It's a liability to the employee's. That liability stands but only would be affected going forward based on whatever you made the decision.

Commissioner Ayme: "Okay."

Mr. Hiscock: "But if this goes onto the agenda, I'm going to need at least a little bit of opportunity to one talk to talk to counsel, and two to provide all the related information about how it would fall in place."

Commissioner Ayme: "So your recommendation at this time is that we approve the agenda the way it's been amended?"

Mr. Hiscock: "My recommendation is..."

Commissioner Ayme: "And then we can revisit the points that we are talking about at a later point in time."

Mr. Hiscock: "My recommendation on the health insurance is that you deal with in the fall during renewal time."

Commissioner Ayme: "In the fall."

Mr. Hiscock: "We could if the Commission requests we certainly could compare it to other agencies if you like. It becoming more and more common for employees to pay a portion and if that's a direction you'd like explored as group we certainly could do that. And again on the medical if you make a change, even though it's in the budget you don't have to spend it. And as far as the vacation and other changes employee bound you can do them at any time. It would be simply whether or not the Chair places it on the agenda or four Commissioners vote to place it on the agenda. And actually I don't think it's quite a vote it actually to sign a document (inaudible)."

Commissioner Borges-Lopez: "We should also keep in mind I believe under the new healthcare by law employees must be notified of planned change or contribution, I believe its sixty days."

Mr. Hiscock: "Those are the details I don't have."

Commissioner Ayme: "Between now and the fall we have plenty of time to do that."

Commissioner Burgess: "Is there any other comments on the motion? Could we, I call for vote on the motion now then?"

Mr. Hiscock: "You have no second on that."

Commissioner Burgess: "I thought Mary second it."

Commissioner Geake: "I second it."

Commissioner Burgess: "Maria made the motion and."

Mr. Hiscock: "Right she seconded it, to approve the budget as presented and I thought you made a motion or just asked a question?"

Commissioner Ayme: "I'm only asking the question."

Mr. Hiscock: "Oh I'm sorry."

Commissioner Ayme: "I'm only asking."

Mr. Hiscock: "Okay I misinterpreted completely what happened."

Commissioner Ayme: "I said I would like to propose and then I ..."

Mr. Hiscock: "Okay, that wasn't a motion."

Commissioner Ayme: "No motion at this time."

Commissioner Burgess: "All in favor?"

Simultaneous Aye

Commissioner Burgess: "Abstentions."

Commissioner Mann: "Oh I abstain."

Commissioner Burgess: "Oh okay."

Mr. Hiscock: "Wanted to get it on the record."

Commissioner Mann: "Yes, definitely."

Approve and Recommend to the Electors the Modified 2011-2012 District Budget

Mr. Hiscock: “Item number 2, Approve and Recommend to the Electors the Modified 2011-2012 District Budget, okay this is going to take, I think you have read the write up, I think you’re all aware of what is going on between the City Council and the Department I think you have all read the opinion that basically says that, the cost of street lighting is our responsibility. We’ve had some discussions over the years and we’re going to get in another topic unfortunately very quickly relating to this, but based on the SONO Alliance list and the number of utility poles in which they believe need additional light, we’re indicating the sum of \$20,000, is a reasonable amount of money to do the work I’m proposing to take it straight out of the District reserve fund because otherwise it creates a lot of difficulty transferring funds back and forth. Simply we would lower the fund balance by 20,000 and we would move it into, and you can see the notations in red, behind tab 3 third page back, and will be street lighting capital project \$20,000. That money comes directly as a result of that out of the reserve. I, we’re in an interesting situation and I haven’t explored it completely if we don’t do this, we don’t get to make the street light changes till July 1, that probably not a good idea since we’ve identified them and its certainly up to the Commission. We occasionally modify our budget in either the November or the March meeting when have project that we need to deal with, and it happens. My basic recommendation is we simply move \$20,000 in the current year’s budget for capital street lighting improvements. Capital street light improvements are placing street lights where there are none. Changing the wattage are simply operations and maintenance, and we can do that. On this topic so that you know exactly where we are, we updated the list provided by SONO Alliance we made corrections, we indicated the repairs that have been made and yesterday or the day before, yesterday because the day before was a Sunday, I sent to Lt. Shawn Won Wong the officer assigned to the SONO Alliance a updated list and offered to walk the list with member of SONO Alliance so that they can make a determination as to what wattage they believe is appropriate. And what wattage is appropriate on the dim lights that they would like brighter. Once that walk is completed we will modify the list and get SONO Alliance concur rents because we don’t want to do this work twice. We will then send notification to the Council the Mayor and City Corporation Counsel and indicate that we are prepared to proceed with work. I’m hoping that happens real soon, for several reasons if we don’t do the walk real soon it’s going to be a real late night walk, because every time the light gets lighter at night it just puts us off to a longer time frame and unfortunately I offered last week to walk with the before the time change well I didn’t bother to looking at the calendar to see when the time changed and it’s already changed, so now we’re back to an 8:30 walk. Which is okay, so that the status of the situation and that’s why I’m proposing instead of just putting it in budget for July 1 we just modify the current year budget so we can do the work. And I can answer any questions about the recommendation or the affect on finances.”

Commissioner Burgess: “Is there a motion on item 3?”

Commissioner Borges-Lopez: “So moved.”

Commissioner Ayme: “Second.”

Commissioner Burgess: "Any discussion on it?"

Commissioner Geake: "Through the Chair, do you feel that \$20,000 is going to be adequate? Even though it's just a few months, to take care of the problem now?"

Mr. Hiscock: "Yes, because in I think we discussed previously we also stuck \$20,000, in 2012-2013 budget."

Commissioner Geake: "Okay, alright."

Mr. Hiscock: "Now you also have on your table this evening a memorandum that you see for the first time, and I'm not expecting any decision, this was just an opportunity for me to get this to you. And simply this refers back to the street lighting issues with respect to the Cedar Street, streetscape renovation project that we've heard about from Golden Hill. I'm not doing anything other than handing this to you this evening for communication purposes as opposed to sending somebody to your house again. I'm not purposing that we deal with this, this evening because I've sent some additional questions to the City, DPW Mr. Yeosock with respect to lighting cause I thought his budget estimate didn't match the plan so this is just to be worked out, Jim, Jim Clark has tried to get the City to give us, we would have love to have this well before the budget process but it didn't come out that way."

Commissioner Burgess: "Any other discussion?"

Mr. Hiscock: "Side note to that if we wish to fund, if the Commission wishes to fund and the Electors agree we can call a Special Electors Meeting to fund it or if the Commission wishes to fund it through economic development it's a Commission decision. But non-the less it's not part of this budget, I wasn't recommending it be part of this budget information only. And to answer your question I do think \$20,000, and \$20,000 would take care of putting a street light on virtually every single utility pole in South Norwalk. Since there's almost one on every one now anyway."

Commissioner Geake: "Thank you."

Commissioner Burgess: "We're ready to vote Approval and Recommendation of the modified 2011, 2011-2012 District Budget. All in favor?"

Simultaneous Aye

Commissioner Burgess: "Opposed? Abstentions? No abstentions?"

Select Auditors for Fiscal Year Ending June 30, 2012

Commissioner Burgess: "Item 4 that should be it, (inaudible) easy."

Mr. Hiscock: "Choice of Auditors, we issue request for proposal for auditing firms every three years for a one year engagement, we always reengaged for the firm for the second and third year between the RFP's. We did it again the year we actually had some different firms giving us proposals. We have a proposal from Hope and Hernandez, we simply put the engagement letter and the budgeted and fee proposal in the book. I did but we only had two copies from everybody I have the official versions here, it's all boiler plate its nothing interesting or unusual, its typical and they all match each other and they've all met the requirements. They all bid the same way, they all bid on a standard hourly rate they list the partners or the individuals. Then they come in and give us an estimate of the fee. Hope and Hernandez was \$27,500 as you know Hope and Hernandez have done I believe twelve audits. Yes, twelve audits. I'm looking at Kevin, it's been quite a while and he thinks as I do it's been twelve."

Mr. Barber: "If not nine or twelve."

Mr. Hiscock: "It's nine or twelve, it no more than twelve and no less than nine. They have a pretty good feel for the scope of our work based on their experience with us. Next firm to quote us is BlumShapiro. BlumShapiro is a much larger firm and you can see the list of Governmental Clients that BlumShapiro has very, very extensive, obviously has a lot of Governmental Clients. The estimated fee for BlumShapiro \$40,000 and the fee's are quoted on a not to exceed, so It's an upset limit. The next firm is O'Connor Davies Munns & Dobbins, LLP. Fairly new to this area, expanding out of New York actually and you can see some of the clients are local because they opened a local office in Stamford. They do the Sixth District, the First District and Uncas Health District in Connecticut, Borough of Stonington, the City of Stamford and whole pile of Towns listed in the proposal. Their estimated fee for services is \$29,000. That's the information that we've received from the audit firms, so at this point I can answer any questions."

Commissioner Burgess: "Any questions of John?"

Commissioner Borges-Lopez: "No questions."

Commissioner Burgess: "Is there a motion to choose an auditor?"

Commissioner Borges-Lopez: "I make a motion that we stay with Hope and Hernandez."

Commissioner Geake: "I second it."

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

Simultaneous Aye

Commissioner Burgess: "Opposed? Abstentions?"

SNEW Policies Review

5.1 Policy on Commission Business Travel Reimbursement

Commissioner Burgess: “Item 5. 5.1 Policy on Commission Business Travel Reimbursement.”

Mr. Hiscock: “On item tab for 5 it just goes through the status of where we are, as you recall in December this was brought to the Commission with all fifteen policies with a lot of changes. There was some discussion it was suggested that we come back with a few at a time depending on the length of the meetings. I simply started with the first three in the book and put them in here, 5.1 is Commission on Business Travel Reimbursement, basically it says that if the Commissioners travel on business they need to obtain approval of the Commission at a meeting of the District. The presumption is that it’ll be done up front because otherwise you run the risk of it not being approved after you’ve spent your money. Other than that it simply says that the Commissioners will follow the expense report rules in conformance with the employee manual, so whatever employee’s are required to do you are required to do, which I think is certainly a reasonable policy. That way there is no differentiation and that way nobody can accuse the Commissioners of doing something to help themselves and basically it says the payments are for transportation, lodging, seminar, daily meal stipend. Which is exactly what the employees do any spousal expenses are not included, and that’s also true for employees. And it’s pretty kind of normal policy pretty clear cut and I don’t think it’s unusual. I can certainly answer any questions with respect to that. I think it is a good idea to have a policy for Commission travel. Occasionally it happens, less frequently now than in the past, but it is a good idea to have a policy. And there are occasions where the Commission might have a very specific and important topic that they need to attend, so and I believe we should have a policy and it’s been updated to just take it from the old context of the District Commissioners when they were separate from the Electric and applied to everybody.”

Commissioner Burgess: “Someone ready to move this resolution?”

Commissioner Borges-Lopez: “I move that we approve changes to the policy on Commission Business Travel Reimbursement (inaudible).”

Commissioner Ayme: “Second

Commissioner Burgess: “Anymore discussion? All in favor?”

Simultaneous Aye

Commissioner Burgess: “Opposed? Abstentions?”

5.2 Policy on Media Notification and Public Statement

Commissioner Burgess: "Media Notification and Public Statement."

Mr. Hiscock: "Excuse me, my fault I tabbed too far."

Commissioner Burgess: "Policy on Media Notification and Public Statement."

Mr. Hiscock: "Yes, yes correct I'm sorry."

Commissioner Burgess: "Okay."

Mr. Hiscock: "I went a little too far I got to the last one first. We added email we've cleaned it up a little bit from what it was its very, very, brief. We did not include the list of media outlets because they change on us, and I didn't want it in a policy problem that we had with the old list it was old that some of the media outlets didn't exist anymore. The last one I can see and I don't know if it's controversial with the Commission at all. I would tell you that when we first approved this policy it was added specifically, because Commissioners felt like statements by other Commissioners were positions of the District when they were not. So we added this statement that all Commissioners statement or releases shall be issued without the Department, Staff or Commission assistance or intervention shall be, but must identified specifically as a single Commissioners release position or statement. There should be a comma after release and that not of the Commission or the District. I think that is important because it clarifies statements and sometimes when the Chairperson of a body speaks on their own behalf sometimes it gets interpreted as the position of the body and that why this was placed here. And the other statement employees and this sometimes is controversial but employees are not to issue Department statements, interviews, or comments concerning Department policy or procedure without the permission and approval of the General Manager. Employees shall direct all media questions to their respective Department Heads. That was placed to avoid conflicting statements coming out of the Department between various employee groups, and is also for the purpose of having a single unified correct statement. Having said that this is not a gag order under the statues any employee who wishes to engage in quote "whistle blowing activities" is not bound by this document this is for specific press releases regarding the department it is not individual employee statements it has not has nothing to do with employee personal statements and positions with respect to the Department. That's covered under the whistle blower statues so this is clearly not a gag order, and I wanted to make that distinction. While it says all staff issue, issued releases shall be done through the General Manager very often I will assign someone to do that task because they have specific knowledge if there is a water main break it goes to the Operations Department. If it a quality issue it goes to somebody in the Operations group related to water quality. If it's an outage it might be the line Manager but it's with permission. We discuss the issue and the employee will issue the statement for us."

Commissioner Burgess: "Okay."

Mr. Hiscock: "I can answer any questions on this one."

Commissioner Burgess: "I'd like a motion on the policy, to approve the policy and media notification and public statement."

Commissioner Ayme: "I move that the policy media notification and public statement be approved."

Commissioner Burgess: "Is there a second?"

Commissioner Mann: "Second."

Commissioner Burgess: "All in favor?"

Simultaneous Aye

Commissioner Burgess: "Opposed? Abstentions?"

5.3 Purchasing Policy

Commissioner Burgess: "Purchasing Policy."

Mr. Hiscock: "As you can see there are changes to this, except all of the underlined sections are additions that have been recently put in. This was a two part it is a purchasing policy on purchasing and payment. The payment portion of it is a procedure that we've adopted internally so the staff knows how to move things within the Department and it speaks to who signs off, it speaks to how it gets through our office from accounting with the approval of Department Heads and then eventually my approval to actually issue a check and a voucher. And in my absence Kevin Barber also approves. That's the procedure and this is the policy portion the, a couple of changes that I think are notable. It use to say request for purchases less than \$300 require one verbal or written, we're proposing to increase that to 750 based on just timing and CPI if you deal with an item that's less than \$750 you can go through a formal procedure its usually counterproductive you're not going to save that much money and our employees generally do pay attention to price when they do it anyway so are suggesting 750 would be appropriate. It also use to say that between \$300 and \$500 require three verbal or written quotations we're proposing all over 700 but less than 1,500 requires two verbal or written and obviously when you do a written quotation you've got to site the source, the date, the time, and all of that you simply don't say I did it. You've got to justify there's a form that you fill out and right on the form you explain exactly what you did. All over 1,500 but less than \$20,000, this is where it becomes more formal, three written on company letterhead or the proposal form issued and I think that's important once you get to the \$1,500 threshold I think it's very important that they be more formal and they be written. And obviously when you do this the written on company letterhead proposal is attached to the purchase requisition and it's there. All over 20,000 three written, with

legal ad formal request for proposal formal bid or other approved procedure. You will note sometimes when you look at the Hour you will see and by the way we didn't change that, I think that's a good threshold. You'll that see we put a legal notice in the Second Taxing District, City of Norwalk is requesting proposal for the following, the bid proposal documents can be obtained from the Clerk or one to the Department Heads in the various Departments and then a formal documents that you've seen from time to time when we've hired Consultants or purchased items. This is obvious, and it's obvious and goes without saying that obviously the purchases have to be consistent with the budget that there not outside the scope. And then it just simply goes on to have paragraph that says the District shall provide (inaudible) written description of the item purchased a insure quotations and bids (inaudible) item in the event the District is unable to obtain the number of bids and quotations, the purchase can be made upon the issuance of file memorandum indicating the reason why the appropriate number of quotations and or bids were unobtainable that occasionally will happen. A memorandum is required it doesn't get done without my signature, okay the memorandum is to me explaining why, and it goes in the file and in the quote request and in the purchase order. If the item purchased is sort to be obtained from a single source a memorandum to the purchase file must be issued and the reasons for sole source purchase. It happens when replacing equipment that's proprietary, you know \$20,000 today doesn't go real far when you're replacing a piece of PLC equipment up at the Filtration Plant or breaker at the Substation where its gotta be replaced in kind to match what's there. So occasionally we will do sole source , you can't bid it on the open market because if you get an end or equal it's never a fully equal and doesn't match the equipment you have, which you need to justify it in writing, and we are firm about that. And it the policy to purchase from the qualified vendor from buying the lowest quotation in the event it's from other than the lowest and we disqualify anybody, a memo again has to be issued as to why somebody was disqualified. So this paragraph is pretty specific requiring documentation for doing things outside of the normal policy and procedure. I can answer any questions on this item."

Commissioner Burgess: " Any questions? Mary?"

Commissioner Geake: "No, I'm fine."

Commissioner Burgess: "Is there a motion to approve the purchasing policy?"

Commissioner Borges-Lopez: "Motion to approve purchasing policy."

Commissioner Burgess: "Second?"

Commissioner Geake: "I second it."

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

Simultaneous Aye

Commissioner Burgess: “Opposed? Abstentions?”

Public Participation

Commissioner Burgess: “There is no public so there’s not public participation correct?”

Mr. Hiscock: “I don’t see anybody who qualifies.”

Adjournment

Commissioner Ayme: Move to adjourn.”

Commissioner Burgess: “All in favor?”

Simultaneous Aye

Meeting adjourned at 7:52

Attest:

Gwendolyn Gonzalez
Asst. District Clerk

