

REGULAR MEETING OF THE LITCHFIELD BOARD OF SELECTMEN
TUESDAY, SEPTEMBER 3, 2013
TOWN OFFICE BUILDING - 5:30 P.M.

Call to Order: First Selectman Leo Paul, Jr. called the meeting to order at 5:30 p.m. Other Selectmen present were Jeffrey Zullo, Paul Parsons, and Diane Knox. Jonathan Torrant was away.

Approval of Minutes: Motion: D. Knox moved to approve the regular August 20, 2013 meeting minutes and P. Parsons seconded. All voted aye and the motion carried.

Public Requests/Comments: None

Selectmen's Requests: None

Resignations: Barbara Brower from Inland Wetlands Commission, regular board, 8/27/13

Interviews, Appointments & Reappointments

a) Appoint Barbara Brower to Inland Wetlands Commission, alternate member, term 6/2014:
Motion: J. Zullo moved to appoint Ms Brower as above and P. Parsons seconded. All voted aye and the motion passed.

b) Appoint Anthony G. Paradise, Jr. to Inland Wetlands Commission, regular member, term 6/2016:
Motion: D. Knox moved to appoint Mr. Paradise as above, and P. Parsons seconded. All voted aye and the motion carried.

Liaison Reports/Commission-Committee Minutes: 8/14/13 Inland Wetlands minutes

Vacancies: The list of current appointed vacancies with term expirations is as follows:

Beautification Commission: 4 regular members 2/2015, 2/2014, 2/16, 2/16; 2 alternates 2/2016
Board of Ethics: One alternate member 6/2016
Conservation Commission: 1 member 12/2013; 2 alternate members 12/2015
Economic Development Commission: One regular member 6/2016; 1 alternate 6/2016
Inland Wetlands Commission: 1 alternate member 6/2014
Milton Historic District Commission: 3 alternate members 1/2015, 1/2015, 1/2014
Northwest Regional Mental Health Board, Catchment Area Council #22, at-large member 5/2015
Park & Recreation: 2 alternate members: 6/2017, 6/2014
Recycling Committee: 4 members, 2/2015, two 2/2016, 2/2014
Sandy Beach Commission: 1 regular member 12/2015
Social Services Board: 1 member, 2/2015
Town Hall Building Committee: 1 member, 3/2015
Veteran's Advisory Committee: 2 regular members 8/2016, 8/2015; 2 alternate members 8/2015
Water Pollution Control Authority: 1 regular member 1/2018; 1 alternate member 1/2015

Tax Refunds: Motion: P. Parsons moved to accept the 16 refunds, for a total of \$1,030.12 as submitted by the Tax Collector, and D. Knox seconded. All voted aye and the motion carried.

Transfers

a) Transfer #1 - \$1,000 from 01-5301-54153 Plumb Hill Maintenance to 01-4301-54145 Northwest Chore Service: Mr. Paul explained the Chore Program was about to fold because of funding issues, but the six towns' chief elected officials decided to extend the program to the end of August and then close

the program. This transfer will carry the program to the end of August. The amount is determined by our per capita and number of clients. There was more money than what was needed in the Plumb Hill account, so the funds will come from that account. Since this agreement, the Federal Government has decided to supply money to carry the program at least to the end of the fiscal year.

Motion: D. Knox moved to approve the transfer of \$1,000 from the Plumb Hill Maintenance account, 01-5301-54153, into the Northwest Chore Service, 01-4301-54145.

Second: P. Parsons seconded the motion.

Discussion: Mr. Parsons then questioned the extra money in the Plumb Hill account when he thought that was a fixed, contracted amount. Finance Director Rose Bouchard said it was based on the consumer price index which was not known until the end of the year. J. Zullo asked if this request could come again, and Mr. Paul said the Chore Board of Directors would be looking reassessing funding and the overall viability of the program.

Vote: Upon voting all voted aye and the motion carried.

Old Business: None

New Business

a) **Adopt Resolution for School Food Services Account for Board of Education:** Town Treasurer David T. Wilson explained that this came from School Business Manager Jason Lathrop and the Board of Education. They have a federally funded program that they need to be able to put funds into and take funds out of for the school food service program. This resolution is a formality authorizing himself, Deb Wheeler, Frank Simone and Leo Paul as signers on the account. He recommended they adopt the municipal resolution form which would allow those listed to handle the money for the new food service vendor. Mr. Lathrop explained further how the new program will work with the new vendor handling the operation, and the school handling the cash per USDA guidelines. Mr. Paul questioned the extent of authority this resolution provides for the signers on the account and asked to table the vote until the next meeting in order to tailor the resolution to what is needed. The boiler plate resolution is too broad for the purpose of this one account without exceptions. Since Mr. Lathrop did not think they needed to cut checks until the end of the month, it could wait until the next meeting. D. Wilson will ask Union Savings Bank for the separate resolution needed for exceptions.

Motion: P. Parsons moved to table the adoption of the school food service account for the Board of Education to be brought back to the Board of Selectmen at such time as the resolution has been adjusted as discussed. J. Zullo seconded, all voted aye and the motion carried.

b) **Adopt Resolution Entitled: Resolution Appropriating \$420,000 for Board of Education Computers, Copiers and Other Technical Support Equipment and Authorizing the Issue of \$420,000 Bonds of the Town to Meet Said Appropriation and Pending the Issuance Thereof the Making of Temporary Borrowings for Such Purpose**

Mr. Paul introduced and read the title of the resolution.

Motion: P. Parsons moved to waive the reading of the entitled resolution and incorporate its full text into the minutes of the meeting. D. Knox seconded. No discussion. All voted aye and the motion carried.

Motion: D. Knox moved to adopt the above-titled resolution, and P. Parsons seconded the motion.

Discussion: Mr. Paul said this resolution addresses the contract issue of going into a lease agreement. The agreement between David T. Wilson, L. Paul, Bond Counsel Joe Fasi and the Board of Education was to issue BANS as the least expensive option for the community. This will be tied into the overall bond issue that should be done within the next 45 days.

P. Parsons asked if this money was above and beyond what was in Capital to be bonded. D. Wilson said the BOE had budgeted for the lease of computers and copies at an interest rate of 3.9%. J. Fasi suggested a BAN at less than .5% over four years, rolling and reducing each year, rather than a lease. J. Zullo said this is out of process, and Mr. Wilson said the BOE finally understands that they cannot borrow money. Mr. Paul explained that the BOE said they misunderstood that they could do this just by signing the contracts if the service of it was in their operating budget. P. Parsons asked where the lease money in the operating budget would go if they went with the BANs. Rose Bouchard said she would figure out the amount. Mr. Zullo said he also does not know what is on the list for purchase and thought there should be a week or two of notice to the Board on something like this before discussion. It was suggested that the Chair of the BOE Finance Committee could come to the next meeting to understand the policy and procedures of the Capital Committee in order to prevent these mistakes. D. Wilson said they could have gotten mixed messages because of past leasing of computers and vans. P. Parsons thanked Mr. Wilson and others who identified this opportunity to save money, albeit out of plan, but still an opportunity to save money for the Town, and said he thought the intent was correct on the part of the Board of Education. D. Knox said she appreciated all the work involved, but would like to have a regular Board of Education update on capital items to keep the Selectmen informed along the way. Mr. Wilson said the Capital Committee had taken the screening process from the Selectmen years ago. Its meetings with each department are always open to the public and the requests are always in the Selectmen's office for viewing. Mr. Zullo said he respects what Capital does, but perhaps this was a loophole in the process. Mr. Wilson thought that perhaps a phrase in the Capital policy could be added addressing the aggregate of \$100,000 or greater regardless of life. Mr. Paul requested a meeting to make sure this does not happen again, and D. Knox agreed the procedure should be clarified. J. Zullo said he was not prepared to vote, awaiting a more detailed list of purchase items.

Vote: Upon voting, D. Knox, P. Parsons and L. Paul voted aye; J. Zullo voted nay. Mr. Paul declared the motion carried and the resolution adopted. The resolution follows these minutes as Attachment I.

c) **Award Bid for Asphalt Crack Sealing:** J. Zullo asked for rates and budget for this project. Rose Bouchard did not have the information with her and Mr. Healy was not present. Mr. Paul will have Mr. Healy get an email to the Selectmen with the number of roads and what the budget covers. **Motion:** D. Knox moved to award this bid to low bidder Sealcoating Inc. P. Parsons seconded, all voted aye and the motion carried.

d) **Adopt Proclamation for Leukemia, Lymphoma & Myeloma Awareness Month:** **Motion:** D. Knox moved to waive the reading of the entire proclamation and P. Parsons seconded. All voted aye and the motion carried. **Motion:** D. Knox moved to adopt the proclamation and P. Parsons seconded. All voted aye and the motion passed. This proclamation is for the month of September, 2013.

Correspondence: None

Motion: P. Parsons moved to adjourn at 6:39 p.m. and D. Knox seconded. All voted aye and the motion carried.

Leo Paul, Jr., First Selectman

RESOLUTION APPROPRIATING \$420,000 FOR BOARD OF EDUCATION COMPUTERS, COPIERS AND OTHER TECHNICAL SUPPORT EQUIPMENT AND AUTHORIZING THE ISSUE OF \$420,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Section 1. The sum of \$420,000 is appropriated for the purchase of Board of Education computers, copiers, other technical support equipment, and for appurtenances, equipment and services related thereto, or so much thereof as may be accomplished within such appropriation, including administrative, advertising, printing, legal and financing costs to the extent paid therefrom.

Section 2. To meet said appropriation \$420,000 bonds of the Town or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the fourth year after their date. Said bonds may be issued in one or more series as determined by the First Selectman and the Treasurer (hereafter the Town Officials), and the amount of bonds of each series to be issued shall be fixed by the Town Officials. Said bonds shall be issued in the amount not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. Capital project revenues, including bid premiums and investment income derived from investment of bond proceeds (and net investment income derived from note proceeds) are authorized to be credited by the Director of Finance to the project account and expended to pay project expenses customarily paid therefrom. The remaining appropriation and bond authorization shall be reduced by the amount of capital project revenues so credited. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, or, be combined with other bonds of the Town and such combined issue shall be in the denomination per aggregate maturity of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the Town by the manual or facsimile signatures of the Town Officials, bear the Town seal or a facsimile thereof, be certified by a bank or trust company designated by the Town Officials, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Town Officials, and be approved as to their legality by Joseph Fasi LLC, Attorneys-at-law, Bond Counsel of Hartford. They shall bear such rate or rates of interest as shall be determined by the Town Officials. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The aggregate principal amount of the bonds to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds, shall be determined by the Town Officials, in accordance with the General Statutes of the State of Connecticut, as amended.

Section 3. Said bonds shall be sold by the Town Officials, in a competitive offering or by negotiation, in their discretion. If sold at competitive offering, the bonds shall be sold upon sealed proposals, auction, or similar competitive process at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation, the provisions of purchase agreement shall be subject to approval of the Town Council.

Section 4. The Town Officials, are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be executed in the name and on behalf of the Town by the manual or facsimile signatures of the Town Officials, bear the Town seal or a facsimile thereof, be payable at a bank or trust company designated by the Town Officials, be approved as to their legality by Joseph Fasi LLC, Attorneys-at-law, Bond Counsel, of Hartford, and be certified by a bank or trust company designated by the Town Officials, pursuant to Section 7-373 of the General Statutes of Connecticut, as amended. They shall be issued with maturity dates which comply with the provisions of the General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the proceeds of such renewals or said bonds, shall be included as a cost of the project. Upon the sale of said bonds, the proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. Resolution of Official Intent to Reimburse Expenditures with Borrowings. The Town (the "Issuer") hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and after the date of passage of this ordinance in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the Issuer. The Bonds shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the project, or such later date the Regulations may authorize. The Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Director of Finance or his designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 6. The Town Officials, are hereby authorized to exercise all powers conferred by section 3-20e of the general statutes with respect to secondary market disclosure and to provide annual information and notices of material events as enumerated in Securities and Exchange

Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this ordinance.

Section 7. It is hereby found and determined that it is in the public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the Town authorized to be issued herein as qualified private activity bonds, or with interest that is includable in gross income of the holders thereof for purposes of federal income taxation. The Town Officials are hereby authorized to issue and utilize without further approval any financing alternative currently or hereafter available to municipal government pursuant to law, including but not limited to any "tax credit bond," or "Build America Bonds" including Direct Payment and Tax Credit Versions.