

**REGULAR MEETING OF THE LITCHFIELD BOARD OF SELECTMEN
TUESDAY, JUNE 7, 2011
TOWN OFFICE BUILDING ~ 5:30 P.M.**

Call to Order: First Selectman Leo Paul, Jr. called the meeting to order at 5:33 p.m., with Paul Parsons, Diane Knox, and R. Christopher Blake also present. William Dranginis was absent.

Approval of Minutes: **Motion:** C. Blake moved to approve the regular 5/17/11 meeting minutes and D. Knox seconded. All voted aye and the motion carried.

Public Requests/Comments: None

Selectmen's Requests: Mr. Paul said upwards of \$500,000 is available from the State in STEAP grants. He hopes to be able to apply on behalf of the Historical Society for renovations to the interior of its building at a cost between \$250,000 and \$300,000. He also noted that the Community Center is planning to expand its building at a cost of between \$265,000 and \$300,000. The amount granted would be the remainder of funds after the Historical Society project is completed.

Mr. Paul then reminded the board members to review the CRRRA municipal service agreement and said there will be another from Covanta for review as well.

Resignations

a) **Kevin L. Kelley from WPCA, effective 5/31/11:** Received and noted.

Declining Reappointment: Colleen Murphy from Recycling Committee; Anthony G. Paradise, Jr. from Inland Wetlands, John G. Willink from Cable Television Advisory Council

Interviews, Appointments & Reappointments

- a) Reappoint Douglass A. Parker to EDC, regular member, term 6/2014
- b) Reappoint Alexander Vandenberg to EDC, alternate member, term 6/2014
- c) Reappoint Kay Carroll to EDC, regular member, term 6/2014

Motion: C. Blake moved to reappoint a) through c) above as listed, and D. Knox seconded. All voted aye and the motion carried.

Liaison Reports/Commission-Committee Minutes: 5/11/11 Inland Wetlands minutes; 5/12/11 WPCA minutes; 5/19/11 Sandy Beach Commission notes; 5/25/11 EDC minutes (draft); 4/4/11, 4/18/11 & 5/2/11 P&Z minutes

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

Beautification Commission: 2 regular members 2/2012, 2/2014; 1 alternate 2/2013
Board of Ethics: One regular 6/2012; 1 regular 6/2013; 2 regulars 6/2014; 2 alternates 6/2013, 6/2014
Inland Wetlands Commission: 1 alternate member 6/2012
Milton Historic District Commission: 2 alternate members 1/2012
Park & Recreation: 2 alternate members: 6/2013, 6/2014
Pension Commission: 1 alternate member 3/2013
Recycling Committee: 3 members, 2/2012, 2/2013, 2/2014
Veteran's Advisory Committee: 1 regular member 8/2012; 2 alternate members 8/2012
Water Pollution Control Authority: 1 regular member 1/2013
Zoning Board of Appeals: 2 alternate members 3/2015

Tax Refunds: **Motion:** C. Blake moved to approve ten tax refunds in the amount of \$1,768.24 in accordance with the Tax Collector's memo dated 6/6/11. P. Parsons seconded, all voted aye and the motion carried.

Transfers: None

Old Business

a) Request Use of Roads for “Litchfield fire Department Fall 5K” Road Race 9/24/11 (Revision):

Motion: C. Blake moved to approve the revised request for use of roads and D. Knox seconded. In discussion, L. Paul explained that this has been resubmitted because of a change in the course due to activities at White Memorial. The two roads to be closed now are one-half mile of the west end of Webster Road and White Woods Road from the intersection of Constitution Way to East Shore Road. C. Blake said it would also involve closing Bissell Road to the triangle, and Morris would have to be involved because Route 61 would become the detour for White Woods Road. All agreed they would like more feedback from the Police with more traffic impact than apparent. C. Blake withdrew his motion and D. Knox withdrew her second. All agreed to table until the next meeting for comments from the Police. Mr. Blake supported the event but wanted to be sure that the plan is well thought out.

New Business

a) Preservation Trust Update on Litchfield Jail Status with Feasibility Study Results:

Attorney Perley Grimes, Trustee for the Greater Litchfield Preservation Trust, also introduced Kay Carroll, who is also a Trustee. He recounted a tour of the jail in February led on the GLPT’s behalf by the Cambridge Seven Associates, Inc., an architectural firm from Cambridge, MA. The study was funded half by the GLPT and half by the CT Trust for Historic Preservation. This firm changed the Cambridge jail into the Liberty Hotel. The jail is out for rebid by the State DPW, with bids due by July 1st. The Town will again have the right of first refusal for 45 days after a bid is received. The feasibility study shows possible uses as a hotel, office space, residential, theatre or museum. The Board of Trustees agreed they would like to support the usage as municipal office space, with about 20,000 sq. ft. of usable net space. Parking of course is a problem, but he suggested working an agreement with the bank for parking. He noted an historic tax credit available to LLC (non-profit) investors who would recoup 20% of the renovation cost. He would like to discuss further with the Board of Selectmen as to the opportunities for partnering to take advantage of the tax credit. The Trust would look for investors for the project as well as itself committing a grant to the Town, among other grant possibilities. P. Parsons and D. Knox said they were open to the options, but hoped someone would buy it and get it on the tax rolls. L. Paul also hoped a buyer would come along. This item will again be on the Selectmen’s agenda on June 21st at 7:30 p.m. for further discussion.

b) Grant Building Permit Fee Waiver for Boiler Replacement at Center School: Motion: C. Blake moved to wave the permit fee for the boiler replacement at Center School, and D. Knox seconded. There was no discussion and upon voting all voting aye and the motion passed.

c) Award Bid for Custodial Services (tabled from 5/17/11): Motion: C. Blake moved to raise this item from the table and D. Knox seconded. All voted aye and the motion carried. **Motion:** C. Blake moved to award the custodial bid to the low bidder Gateway Building Services for a two-year period in accordance with Jack Healy’s memo dated 5/17/11. P. Parsons seconded the motion. Jack Healy then said he would like the record to indicate that most of the people working with Preferred were very happy with them. He went back to both Preferred and Gateway for more information. The owner of Gateway clarified his bid on the Community Field by saying the amount of \$450 was per month, not per cleaning. They also revised their quote for the Highway Garage to reflect one cleaning per week, at \$3,100/yr. Mr. Healy said they would also sign the non-discrimination form. He then said that Preferred also has been doing other services for the Town, such as painting. Gateway offers similar services. It was noted that the tenant in the Bantam Annex (State of CT) is comfortable with Preferred. **Amendment:** C. Blake then amended his motion to award the custodial bid to Preferred Building Maintenance rather than Gateway for 2011/12 and 2012/13. P. Parsons seconded the motion. In discussion Mr. Blake said that although the low bid was Gateway, the largest discrepancy in numbers was at the Bantam Annex, where the State of CT will reimburse much of the cost to the Town in its rent. He would rather be confident that all parties being served by Preferred are comfortable with its service. **Vote:** All voted aye and the motion carried. The original motion was replaced with this amendment.

d) Award Bid for Hauling of Recyclables (tabled from 5/17/11): Motion: C. Blake moved to raise this item from the table and D. Knox seconded. All voted aye and the motion carried. After discussion it was determined that more time is needed to receive a proposal from Covanta. **Motion:** C. Blake moved to table this item until more information is available. P. Parsons seconded the motion, all voted aye and the motion carried.

e) **Award Bid for Consultant for White Woods Road Bridge Project: Motion:** C. Blake moved to award the bid for the White Woods Road Bridge project to Cardinal Engineering in accordance with Jack Healy's memo of June 3, 2011. D. Knox seconded the motion. J. Healy explained the Bridge Committee studied the qualification of the engineering consultants, scored them and chose Cardinal Engineering. They then submitted to the DOT, because they are funding 80% of the project. The DOT then sent an approval letter. Next they meet with Cardinal and the DOT to come to a mutually agreeable fee for the contract. **Vote:** Upon voting all voted aye and the motion passed.

f) **Adopt Resolution Entitled, "RESOLUTION WITH RESPECT TO THE AUTHORIZATION, ISSUANCE AND SALE OF NOT EXCEEDING \$5 MILLION TOWN OF LITCHFIELD GENERAL OBLIGATION REFUNDING BONDS, AUTHORIZING COMBINING INTO ONE ISSUE AND MAKING DETERMINATIONS WITH THE REFUNDING BONDS ANY OTHER AUTHORIZED BUT UNISSUED BONDS OF THE TOWN, AUTHORIZING AGREEMENTS FOR THE INVESTMENT OF REFUNDING ESCROW AND ITS REINVESTMENT OVER ITS TERM"**

Leo Paul, Jr. introduced the following resolution. **Motion:** Chris Blake moved to waive the reading of the entitled resolution and incorporate its full text into the minutes of the meeting. Diane Knox seconded the motion. There was no discussion. Upon voting, Chris Blake, Diane Knox, Paul Parsons and Leo Paul, Jr. voted aye. There were no dissenting votes. Leo Paul declared the motion passed. **Motion:** Chris Blake moved to adopt the resolution as presented, and Paul Parsons seconded. In discussion, Mr. Paul explained the bond reissuance. The numbers are now favorable for reissuing, but when all the documents are prepared if the numbers are not favorable, this will be a moot point. Finance Director Karl Fisher said the initial numbers show about \$300,000 savings over the 15-year life of the bonds. Mr. Fisher confirmed to Paul Parsons that this is not funding anything other than current debt. L. Paul said there is a conference call scheduled next week with Moody's to get ready for the potential reissuance. **Vote:** Upon voting, Paul Parsons, Diane Knox, Chris Blake and Leo Paul, Jr. all voted aye, and Mr. Paul declared the resolution adopted. The resolution is incorporated into the minutes as follows:

RESOLUTION WITH RESPECT TO THE AUTHORIZATION,
ISSUANCE AND SALE OF NOT EXCEEDING \$5 MILLION
TOWN OF LITCHFIELD GENERAL OBLIGATION REFUNDING
BONDS, AUTHORIZING COMBINING INTO ONE ISSUE AND
MAKING DETERMINATIONS WITH THE REFUNDING BONDS
ANY OTHER AUTHORIZED BUT UNISSUED BONDS OF THE
TOWN, AUTHORIZING AGREEMENTS FOR THE INVESTMENT
OF REFUNDING ESCROW AND ITS REINVESTMENT OVER ITS
TERM

Section 1. \$5 million principal amount of refunding bonds of the Town of Litchfield, or so much thereof as shall be necessary, are hereby authorized to be issued for the purpose of refunding, including advance refunding, all or any portion of the aggregate principal amount of any issue of Town of Litchfield (hereinafter, the "Town") General Obligation Bonds now or hereafter outstanding or hereafter authorized, issued and outstanding, (the "Prior Bonds"), including but not limited to outstanding bonds of the Town's 2002, 2003, 2006, 2007, 2008 or 2011 issues and for the payment of all fees and expenses incurred in connection therewith, including redemption price, legal, fiscal advisor, underwriting, accounting, escrow verification, investment broker, printing, rating agencies, registrar, transfer and paying and escrow agents, printing, and such other costs and expenses, and those necessary, appropriate or customarily incurred in connection with the refunding of bonds.

Section 2. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, and be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and Treasurer. They shall bear such rate or rates of interest or sold at such price or prices, including discount or premium with respect to par, as shall be determined by the First Selectman and Treasurer (the "Town Officials") pursuant to Section 7-370 of the General Statutes. 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 interest thereon. The aggregate principal amount of refunding bonds to be issued, the particular issue or portion thereof they shall refund, the annual installments of principal, redemption provisions, if any, the date, time and manner of issue and sale, interest rate on the bonds, designation of registration transfer and paying agent, financial advisor, underwriter, verification agent or other service providers to facilitate the issuance of the bonds and the transactions herein authorized, and other terms, details and particulars of such bonds, and their issuance and the use and investment of proceeds, including issuance premium, if any, shall be determined by the Town Officials in accordance with the General Statutes of the State of Connecticut, as amended, including but not limited to 7-370 et. seq. The refunding bonds authorized herein may be issued in one or more series, at one or more times and from time to time, provided that, the aggregate principal amount of all such refunding bonds issued pursuant to this resolution shall not exceed \$5 million.

Section 3. The Town Officials are hereby authorized on behalf of the Town of Litchfield to enter into bond purchase contracts for the sale of the bonds, insurance or other credit enhancement contracts, escrow agreements, investment contracts to invest the proceeds of the bonds pending their use for the purposes of the issue, including purchasing open market treasury securities, State and Local Government Series, or any investment permitted by law, to enter into interest rate swap agreements or other agreements and determinations authorized by Section 7-370b and 7-370c, and to execute and deliver such other contracts or certificates necessary or appropriate to consummate the issuance of bonds and transactions herein contemplated, to contract with agents to act on behalf of the Town with respect to any of the foregoing and to apply the proceeds of such bonds for the purposes herein authorized. In connection with agreements to invest the proceeds of the bonds, the Town Officials are specifically authorized to enter into contracts to provide for the investment or reinvestment of amounts held in an advance refunding escrow, including but not limited to agreements to deliver, provide, or receive securities to fund the refunding escrow, or to otherwise facilitate refunding purposes, to purchase securities during the term of the escrow from proceeds derived from maturing escrow securities, including agreements committing to purchase or allow for the purchase of such securities over the term of the escrow, in exchange for payment, and which agreements may be described or are commonly known as escrow float contracts, escrow reinvestment agreements or generally, guaranteed investment contracts. Such agreements and any contract agreement authorized hereunder, may include agreements with and instructions to an escrow agent, or consist of agreements with multiple parties to accomplish its objectives, provisions for delivery and payment of securities or exchanges of cash flow, provisions identifying the type of securities to be delivered, the date, principal amount, maturity date and maturity amount of delivered securities, the timing and amount of exchanged cash flows, if any, default provisions, the preconditions to entering into such agreements, including opinions of counsel, including reasoned opinions addressing the effect of bankruptcy, insolvency, appointment of a conservator or other similar proceedings with respect to any party to such contract, including, but not limited to a party agreeing to provide such securities to the escrow in exchange for payment therefore, or any party to an interest rate swap agreement. The agreements contemplated by this section may consist of more than one agreement entered into with more than one party. Any portion of the payment derived from such contracts may be deposited to the refunding escrow or expended to reduce, directly or indirectly, the amount of bonds required to be issued to refund the Town's Prior Bonds.

Section 4. The Town Officials are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to nationally recognized municipal securities information repositories or state based information repositories (the "Repositories") and to provide notices to the Repositories 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 resolution.

Section 5. The Town Officials are authorized to combine with the issue of refunding bonds herein authorized, bonds for any other purpose which the Town has authorized but, as of the issue date of the applicable series of refunding bonds, are unissued, including any bonds authorized subsequent to the date of adoption of this resolution. Solely in connection with such combined issue, the Town Officials in addition to the authority conferred upon them by any bond resolution authorizing the issue of the bonds to be combined into one issue with the refunding bonds, are hereby delegated the authority to enter into

contracts of purchase for such bonds and to determine their interest rate, and to exercise with respect to such combined issue of bonds the authority herein conferred.

Section 6. The Town Officials are hereby authorized on behalf of the Town to enter into contracts and to execute and deliver certificates necessary, appropriate or advisable in their determination to consummate the issuance of the bonds and the transactions authorized herein.

Section 7. This Resolution shall remain in full force and effect until repealed by the Board of Selectmen, and shall be in addition to all prior refunding bond issuance authorizations.

Section 8. It is hereby found and determined that the issue of 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, is in the public interest. The Town Officials are hereby authorized to issue and utilize without further approval any financing alternative available to municipal governments pursuant to HRI, "Making Supplemental Appropriations for Job Preservation and Creation, Infrastructure Investment, Energy Efficiency and Science, Assistance to the Unemployed, and State and Local Fiscal Stabilization, for the Fiscal Year Ending May 23, 2011, and for other purposes" (the "American Recovery and Reinvestment Act of 2011"), including but not limited to any "tax credit bond," or "Build America Bonds" including Direct Payment and Tax Credit Versions.

Correspondence: None

Motion: C. Blake moved to adjourn at 6:57 p.m. and D. Knox seconded. All voted aye and the motion carried.

Leo Paul, Jr., First Selectman