

Board of Selectmen
Municipal Office Complex
Meeting Rooms 1 & 2
February 11, 2022
Special Meeting Minutes

Selectmen Present: I. Haines; E. Dill; T. Govert

Also Present: D. Angersola; E. Blaschik; R. Funk; C. Halliday C. Hughston; C. Mansfield; B. O'Mara; L. Zemienieski; and other members of the public

1. First Selectman Haines called the Board of Selectmen's meeting to order at 9:15 a.m. and the attendees said the Pledge of Allegiance.
2. Resolution Authorizing the Execution of a Lease Purchase Agreement to Acquire Telephone System Equipment.

Ms. Haines advised that the Board would need to authorize a lease agreement to acquire telephone system equipment.

Motion made by Ms. Govert, seconded by Mr. Dill to approve the following resolution:

A RESOLUTION AUTHORIZING THE EXECUTION OF A LEASE PURCHASE AGREEMENT TO ACQUIRE TELEPHONE SYSTEM EQUIPMENT

WHEREAS, the Town of East Haddam, Connecticut (the "Town") wishes to obtain lease purchase financing for the acquisition and installation of a Cisco Systems telephone system at the Municipal Office Complex, emergency responder equipment and other related equipment and licenses for the benefit of the Town and the Board of Education (the "Equipment") from the manufacturer, Total Communications; and

WHEREAS, Key Government Finance, Inc. (the "Lessor") has submitted a proposal to lease the Equipment; and

WHEREAS, the Town desires to acquire the Equipment and enter into a lease purchase agreement with the Lessor to finance the acquisition of the Equipment.

NOW THEREFORE, BE IT RESOLVED, that the Board of Selectmen (the "Board") of the Town hereby adopts the following:

(1) That (i) the proposal of the Lessor to lease the Equipment and finance the acquisition of the Equipment is hereby accepted and (ii) the First Selectman is hereby authorized to enter into a lease purchase agreement (the "Lease") by and between the Town and the Lessor for the lease of the Equipment for a period of no more five (5) years, in such form and having such terms and details as determined by the First Selectman, subject to the following limitations. The amount to be financed under the Lease shall be no greater than \$115,000 payable in six (6) installments of principal and interest at an interest rate of approximately 10.185%. Such payments are expected to be made at closing, one month after closing and every year thereafter for the remainder of the term of the Lease. At the conclusion of the term of the Lease, provided all the payments required under the Lease have been made, the Town shall have the option to purchase the Equipment for One Dollar (\$1.00) and

Lessor's interest in the Equipment shall terminate. Payments in respect of the Lease shall be subject to annual appropriations of the Town. The Lease shall include a "non-appropriation of funds" clause allowing for termination in the event that sufficient funds are not appropriated to make lease payments and other amounts each fiscal year.

(2) That the First Selectman is hereby authorized to make such representations and covenants and to execute and deliver such contracts, financing statements, affidavits, agreements and documents, including, but not limited to, an escrow agreement and a tax regulatory agreement, as are determined by the First Selectman to be necessary or desirable to evidence and secure the Town's obligations pursuant to the Lease, to ensure the interest paid on the Lease is free from taxation under the Internal Revenue Code of 1986, as amended, and to finance the purchase of the Equipment, and that the execution of such contracts, financing statements, affidavits, agreements and documents shall be conclusive evidence of such determination.

(3) That the First Selectman, the Director of Finance and other proper officers of the Town, or any one of them as appropriate, are hereby authorized to appoint a bank or trust company to act as escrow agent in connection with the foregoing lease purchase transaction and to do or cause to be done any and all other acts and things necessary or proper to further the purposes of this resolution and the terms and obligations in respect of the Lease.

(4) That the Town reasonably expects to incur expenditures (the "Expenditures") in connection with the project for which a general functional description is provided above. The Town reasonably expects to reimburse itself for the cost of such Expenditures with the proceeds of the obligation described above. The maximum principal amount of such obligation is not expected to exceed \$115,000. This declaration of official intent is a declaration of official intent made pursuant to Treasury Regulation Section 1.150.

In response to a question from Mr. Dill, Ms. Hughston provided additional information about the telephone lease.

Unanimous aye.

3. 2023-2024 General Budget Review Workshop

Ms. Haines advised that any capital requests for FY2024, related to a specific agenda item below, will be reviewed during the discussion of that budget.

- A. **Town Office Building:** The Selectmen reviewed the operating budget for the former Town Office Building at 7 Main Street. It was noted that the budget request had been reduced by \$4,700.00 (46.5%). Ms. Haines advised that the building has been winterized and is not heated; however, the Town will continue to maintain the alarm system. There was a general discussion regarding whether or not the Town should be paying the Water/Sewer expense since the property is not currently in use.
- B. **Town Meeting Hall:** The Selectmen reviewed the Town Meeting Hall operating budget. An increase of \$660.00 (24.8%) was noted. Mr. Angersola provided information about a capital request to replace windows at the building, noting that they would be special order windows, and responded to several questions from the Board.
- C. **River House/Annex:** The Selectmen reviewed the operating budget for the River House and the Annex. It was noted that the budget had been decreased \$3,000.00 (60%). There was a brief discussion regarding use of the Town buildings at 7 Main Street.

- D. **Grange Hall:** The Selectmen reviewed the operating budget for the Grange Hall. An increase of \$1050.00 (6.7%) was noted. Mr. Angersola provided information about capital requests to replace windows at the building and repairing wall rot. He responded to questions from the Board.
- E. **Millington School House:** The Selectmen reviewed the operating budget for the Millington School House. An increase of \$1500.00 (123%) was noted. Ms. Zemienieski provided information about this Town asset and stated that she is expecting a donation to come in to help pay for the planned electrical upgrades.
- F. **Municipal Office Complex/Central Services:** The Selectmen reviewed the operating budget for the Municipal Office Complex/Central Services. It was noted that the budget had been reduced by \$5,644.00 (1.4%). Several line items were discussed and Ms. Haines advised that the increase in custodial salary would be off-set by a reduction in the Seasonal Grounds Maintenance salary expense. There was a general discussion regarding the electricity expense for the building.

The Selectmen discussed several capital requests, including telephone system upgrades, video conferencing system repairs and upgrades, and a video conferencing system for the gymnasium.

- G. **Regional Probate Court:** Ms. Haines explained that the cost to participate in the Regional Probate Court is determined by the value of a municipality's grand list and that the Town can exercise no control over this budget.
- H. **Selectmen:** The Selectmen reviewed the Selectmen's operating budget. It was noted that the increase of \$4,312.00 (2.4%) was due to a 2.5% increase in salaries.
- I. **Legal Services:** The Selectmen reviewed the Legal Services budget. Ms. Zemienieski advised that this budget is not yet complete because the Finance Director needs to reach out to other departments to get input regarding their legal line budget requests. In response to a suggestion raised by Ms. Haines, there was a general discussion regarding whether or not to move the Commissions' legal expense to their operating budgets.
- J. **Insurance (Risk Management):** The Selectmen reviewed the operating budget for Insurance/Risk Management. A decrease of \$4,000.00 (1.6%) was noted. Ms. Zemienieski provided an overview of the budget and advised that she has not yet received a quote from CIRMA; however, she had estimated the budget at what she anticipated the maximum expense would be. Mr. Funk advised that, in his previous position, he had worked with an insurance consultant that he feels was very effective at managing insurance costs. He suggested the Board ask the consultant to come in and provide them with a presentation.
- K. **Fringe Benefits:** Discussion of this agenda item was postponed.
- L. **Fire Marshal:** The Selectmen reviewed the Fire Marshal's operating budget. An increase in this budget of \$122.00 (0.5%) was noted. No capital requests were discussed.
- M. **Paramedic Services:** The Selectmen reviewed the operating budget for Paramedic Services. Ms. Haines advised that the Town is charged on a per capita basis (\$1/per) for this service and has no control over the expense. She noted that the \$93.00 (1%) increase is due to a proportional increase in the Town's population.

- N. **Resident State Trooper:** The Selectmen reviewed the operating budget for the Resident State Trooper. A decrease in this budget of \$17,300.00 (9%) was noted. Ms. Govert explained that the reduction in the Resident State Trooper fringe benefits expense is because the state is now assuming the full cost of the unfunded liabilities coverage.
- O. **Cemeteries:** The Selectmen reviewed the Cemeteries' operating budget. A decrease in this budget of \$3,500.00 (25.4%) was noted.

There was a general discussion regarding the Cemetery Committee's request to carryover unexpended funds from year-to-year. Mr. Funk and Ms. Zemienieski provided information regarding the Committee's request for \$10k in FY2024 to do surveys and property appraisals for a new cemetery. Mr. Funk added that the Committee is also requesting \$3000.00 this fiscal year to do restoration work on headstones.

- P. **Chatham Health District:** The Selectmen reviewed the operating budget for the Chatham Health District. Ms. Zemienieski stated that CHD has not completed their budget process and, therefore, she included a 3% increase in this budget as a placeholder.
- Q. **Human Services:** The Selectmen reviewed the operating budget for Human Services. Ms. Zemienieski advised that these are donations the Town makes to human services organizations that serve the Town's population. There was no increase proposed in this budget; however, Ms. Zemienieski suggested the Town might want to add something to this budget from its opioid settlement funds.
- R. **Town Greens, Grounds and Fields:** The Selectmen reviewed the Town Greens, Grounds and Fields budget. Mr. Angersola explained that the \$3,818.00 (3%) decrease in this budget is offset by a comparable increase in the custodial salary expense in the Municipal Office Complex budget. He advised that a seasonal grounds maintenance position had been eliminated because the Municipal Office Complex custodian will assume those responsibilities.

Mr. Angersola reviewed the capital request for lighting at the Heritage Park walking path. Ms. Haines recommended pursuing a temporary fix for the lighting until a permanent solution is identified. Capital requests for a Facilities Director truck, a Grounds Maintenance service truck, and a Ventrak tractor were discussed.

- S. **Debt Service:** The Selectmen reviewed the Debt Service budget and Mr. Funk noted that it had decreased \$122,438.00 (4.1%) in the normal course of paying down the Town's debt. He noted, however, that there are several significant capital building projects that have been proposed which will increase the Debt Service budget.

There was a general discussion on the most effective way to utilize ARPA funds for capital projects and Mr. Funk responded to several questions from the Board.

- T. **Board of Assessment Appeals:** Mr. Blaschik provided an overview of the Board of Assessment Appeals budget and noted a slight increase of \$275.00 (8.2%).

The Board took a 15-minute recess at 11:10 a.m. The meeting reconvened at 11:25 a.m.

- V. **Emergency Management:** Mr. Mansfield reviewed the service level accomplishments of the Emergency Management Department and responded to several questions from the Board. He reviewed the Department's budget and discussed increases to several line items. Mr. Mansfield

agreed that the \$10k contingency budget for replacement of equipment not covered under warranty could be eliminated.

Mr. Mansfield and the Board discussed the Department's capital budget and he stated that the proposed \$10k annual increases to reserves for Radio Replacements and Off-Cycle Radio Replacements was not necessary this fiscal year.

The Board recessed for lunch at 12:30 p.m. The meeting reconvened at 1:00 p.m.

- U. **Lakes Association:** Ms. Halliday and Ms. O'Mara provided an overview of the issues/concerns and activities of the various Lakes' Associations. They stated that the Lake Hayward group had successfully applied for a \$16,000.00 grant for funds to assist with the \$33,000.00 cost of constructing a bio-retention basin. Ms. O'Mara reviewed the pros and cons of using the eco-harvester in Moodus Reservoir to remove aquatic weeds. She noted that the eco-harvester was not as effective in the deeper areas of the lake.

Ms. Govert advised that the state is currently setting up an office dedicated to addressing the problem of invasive aquatic weeds in the states water systems. She stated that the office is charged with developing a statewide plan for dealing with the problem and may be able to provide some assistance to the Lakes Association.

The Lakes Association representatives reviewed their proposed budget, which reflected a \$7,374.00 increase, and responded to questions from the Board. There was a general discussion regarding the distribution of funds to the individual lake groups and Ms. Varricchio advised that, last year, the lakes had requested the Town's contribution be disbursed in unequal portions, however, that request was not approved.

Mr. Funk advised that, in response to the lakes' request to carry over unexpended funds from year-to-year, the Board of Finance had revised to their policy on the Lakes' budget. He stated, however, that the revision did not correctly address the lakes' objective and noted that the Board of Finance will go back and update the policy appropriately.

- W. **Other Operating/Capital Budget Discussion:** The Board reviewed several current capital requests. There was a general discussion regarding the replacement of the Police boat. Since the boat was already replaced by an insurance claim there would be no need to use the capital funds allocated in the 2022-2023 budget and the board thought that those funds could be reallocated towards the Facilities Director vehicle along with the trade of the current Fire Marshal vehicle.

Motion made by Mr. Dill, seconded by Ms. Govert, to request that the Board of Finance, at their February 13, 2023 meeting, reallocate Capital Funds for a Police Boat to Capital Funds for a Facilities Director vehicle. Unanimous aye.

The Board discussed the capital request to install a canopy over the large demolition containers at the Transfer Station. Mr. Angersola advised that he is negotiating with a solar company to build the canopy and install their panels on the roof. He noted that the solar company would absorb the cost of the constructing the canopy in exchange for the benefits from the solar panels, There was a general discussion regarding on-going improvements to the Transfer Station.

Ms. Haines noted that capital improvements at the libraries have been postponed in lieu of receiving the Library Study Committee report. She noted that the Town has received the Study Committee's report recommending a new library be constructed; however, she feels it would be

prudent to move forward with some of the capital requests so that the assets can be properly maintained for a future sale of the buildings.

4. Public Comment: There were no public comments discussed at the meeting.
5. Adjournment: There being no additional business to discuss, a motion was made by Ms. Govert, seconded by Mr. Dill, to adjourn the meeting at 1:45pm.

Recorded

Respectfully submitted,
Erik Dill, Secretary