Board of Finance
Municipal Office Complex
Meeting Rooms 1 & 2
December 20, 2023
Special Meeting Minutes

Selectmen Present: I. Haines; T. Bourgoin; E. Dill
Board of Finance Members Present: J. Corbett; T. Gelston; E. Kolasinski; H. Thomas; R. Whatley

Also Present: E. Blaschik; C. Hughson; S. Kraynak, HVAC engineer; L. Zemienieski, and other members of the public

1. First Selectman Haines called the Board of Selectmen's meeting to order at 7:00 p.m. and the attendees said the Pledge of Allegiance.

   Mr. Corbett called the special meeting of the Board of Finance to order at 7:05 p.m.

2. Approval of Agenda

   Motion made by Mr. Dill, seconded by Ms. Bourgoin, to approve the agenda as written. Unanimous aye.

3. Joint Meeting with Board of Finance

   A. East Haddam Schools HVAC Project and Grant Application Discussion: In response to a question raised by Mr. Gelston, Mr. Kraynak confirmed that the work proposed in the grant applications for the elementary and high schools will address the state's air quality requirements for the foreseeable future. Mr. Dill noted that the new chiller will only address air conditioning issues at the high school and Mr. Kraynak agreed that after the new chiller is installed, a second phase of work will be required to completely address air quality in the high school. There was a general discussion regarding the state's standards for its 5 year air quality inspections. Mr. Kraynak responded to several other questions from the Boards of Selectmen and Finance members.

      Mr. Thomas reviewed the Board of Finance's policies regarding acceptable debt-to-grand list and debt-to-budget ratios. He noted that the Town is anticipating undertaking several other capital projects and he recommended having Mr. Lindsay, the Town's financial adviser, at the BOF's January meeting to discuss the proposed capital plans and to ensure that bonding is kept within the stipulated ratios. Ms. Haines advised that she, Finance Director Belles, and former Board of Finance Chairwoman Gionta had preliminary discussions with Mr. Lindsay.

      In response to a question raised by Mr. Dill, Mr. Thomas provided clarification regarding the proposed renewal of the $5M open space bond authorization and Ms. Zemienieski confirmed that the public will have an opportunity to ask questions at the January 17th Town Meeting.

   B. Board of Selectmen HVAC Project Resolution:

      Motion made by Mr. Dill, seconded by Ms. Bourgoin, to adopt the following resolution:

RESOLUTION AUTHORIZING AN APPROPRIATION OF $4,150,000 FOR THE HVAC IMPROVEMENTS AND CHILLER REPLACEMENT PROJECTS AND THE FINANCING OF SAID APPROPRIATION BY THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE TOWN AND NOTES IN ANTICIPATION OF SUCH BONDS IN AN AMOUNT NOT TO EXCEED $4,150,000, OR SO MUCH AS MAY BE NECESSARY AFTER DEDUCTING GRANTS THEREFOR, AS WELL AS ESTABLISHING A DATE FOR REFERENDUM

RESOLVED, that the Board of Selectmen (the "Board") of the Town of East Haddam (the "Town") hereby adopts, and recommends to the Board of Finance with respect to, the following:

(1) That the Town appropriate the sum of $4,150,000 for costs related to (i) the purchase, installation, remediation, repair, upgrade and/or replacement of heating, ventilation and air conditioning (HVAC) system equipment and other indoor air quality improvements, including, without limitation, the upgrading and replacement of building management systems, electrical systems and the implementation of moisture control measures at the East Haddam Elementary School and (ii) the purchase, installation and replacement of an air cooling chiller at the Nathan Hale-Ray High School (the "Projects"). The appropriation may be spent for design, manufacture, installation, replacement and construction costs, equipment, materials, electrical costs, roof work, duct work, the preparation of bid documents, grant applications, cost estimate reports and studies, informational materials and other preliminary materials, studies and reports, the preparation of schematic drawings, plans and specifications, site work, architects' fees, engineer/designer fees, architectural fees, legal fees, capitalized interest, costs of issuance, financing costs, and other expenses related to the Projects or their financing. The Board is authorized to determine the scope and particulars of the Projects. The Board may reduce or modify the scope of the Projects, and the entire appropriation authorized hereby may be spent on the Projects as so reduced or modified.

(2) That to finance said appropriation for the Projects, the Town issue general obligation bonds and notes pursuant to Chapter 109 of the Connecticut General Statutes, Revision of 1958, as amended (the "Connecticut General Statutes"), or any other applicable provision of law thereto enabling, in an amount not to exceed $4,150,000 (or so much thereof as may be necessary after the deduction of grants or other sources of funds available therefor).

(3) That the Town issue and renew notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds or notes for the Projects or the receipt of grants for the Projects. The amount of the notes outstanding at any time shall not exceed $4,150,000. The notes shall be issued pursuant to Section 7-378 of the Connecticut General Statutes. The Town shall comply with the provisions of Section 7-378a of the Connecticut General Statutes with respect to any notes that do not mature within the time permitted by said Section 7-378.

(4) That the First Selectman, or a majority of the Board, and the Treasurer (the "Officials") be authorized to issue and sell bonds and notes secured by the full faith and credit of the Town in an amount not to exceed $4,150,000 (or so much thereof as may be necessary after the deduction of grants or other sources of funds available therefor), pursuant to the Connecticut General Statutes or any other applicable provision of law thereto enabling, to finance the appropriation for such projects having been made by this resolution; that the Officials are hereby authorized to appoint a bank or trust company to be the certifying agent, registrar, transfer agent and paying agent for such bonds and notes; that Updike, Kelly & Spellacy, P.C., Hartford, Connecticut is designated as the attorneys at law to render an opinion approving the legality of such issue or issues; that the Officials be authorized to sign any bonds or notes by their manual or

facsimile signatures; and that the Officials be authorized to determine the rate or rates of interest for such bonds and notes, their date or dates, the dates of principal and interest payments on such bonds and notes, the form of such bonds and notes, the provisions for protecting and enforcing the rights and remedies of the holders of such bonds and notes and all other terms, conditions and particular matters regarding the issuance and securing of such bonds and notes and to sell and deliver the same, in accordance with the provisions of the Connecticut General Statutes and any other act of the General Assembly thereto enabling.

(5) That the Officials are authorized to sell the bonds or notes at public or private sale; to deliver the bonds or notes; and to perform all other acts which are necessary or appropriate to issue the bonds or notes. If the bonds or notes authorized by this resolution are issued on a tax-exempt basis, the Officials are authorized to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes, including covenants to pay rebates of investment earnings to the United States in future years.

(6) That the Town reasonably expects to incur expenditures (the "Expenditures") in connection with the Project described above. The Town reasonably expects to reimburse itself for the cost of the Expenditures with the proceeds of general obligation bonds and notes of the Town described above. The maximum principal amount of such debt (both bonds and notes) is not expected to exceed $4,150,000. This declaration of official intent is a declaration of official intent made pursuant to Federal Income Tax Regulations Section 1.150-2. The Officials are authorized to amend such declaration or official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(7) That the Officials are authorized to make representations and enter into written agreements for the benefit of holders of the bonds or notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws of rules pertaining to the sale or purchase of such bonds or notes.

(8) That the First Selectman is hereby authorized, on behalf of the Town, to execute any contracts with engineers, contractors, architects and other persons for the Projects, to apply for and accept local, state and federal grants to finance the appropriation for the Projects, and to execute and file any grant application or enter into any grant agreement or other obligations prescribed by such granting entity, including the State of Connecticut.

(9) That the Officials and other proper officers of the Town are authorized to take all other actions which are necessary or desirable to complete the Projects consistent with the foregoing and to issue bonds or notes to finance the aforesaid appropriation.

(10) That this resolution shall become effective after approval at referendum vote.

FURTHER RESOLVED, that, should the Board of Finance approve the foregoing resolution for the appropriation of funds for the Projects and the issuance of bonds and notes to finance such appropriation as recommended above, the Board hereby calls a Special Town Meeting of the Town to be held on Wednesday, January 17, 2024 at the Nathan Hale-Ray High School Auditorium, 15 School Road, Moodus, Connecticut at 8:00 p.m., and submits the following

resolution to the electors and citizens eligible to vote at town meetings of the Town for their approval or disapproval, at said town meeting, the notice of such meeting to be published as required by the Connecticut General Statutes:

> RESOLUTION AUTHORIZING AN APPROPRIATION OF $4,150,000 FOR THE HVAC IMPROVEMENTS AND CHILLER REPLACEMENT PROJECTS AND THE FINANCING OF SAID APPROPRIATION BY THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE TOWN AND NOTES IN ANTICIPATION OF SUCH BONDS IN AN AMOUNT NOT TO EXCEED $4,150,000, OR SO MUCH AS MAY BE NECESSARY AFTER DEDUCTING GRANTS THEREFOR

FURTHER RESOLVED, that the Board, pursuant to Section 7-7 of the Connecticut General Statutes, hereby removes the aforesaid resolution on the call of the Special Town Meeting for submission to the voters for a "yes" or "no" vote by voting machine to be held on Tuesday, January 30, 2024 during the hours from 6:00 a.m. to 8:00 p.m. at the Municipal Office Complex, 1 Plains Road, Moodus, Connecticut, in the manner provided by the Connecticut General Statutes, and that the Town Clerk be directed to post and publish notice of such referendum in accordance with the provisions of the Connecticut General Statutes, which notice shall state the question to be voted on as follows:

> "Shall the resolution entitled, 'RESOLUTION AUTHORIZING AN APPROPRIATION OF $4,150,000 FOR THE HVAC IMPROVEMENTS AND CHILLER REPLACEMENT PROJECTS AND THE FINANCING OF SAID APPROPRIATION BY THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE TOWN AND NOTES IN ANTICIPATION OF SUCH BONDS IN AN AMOUNT NOT TO EXCEED $4,150,000, OR SO MUCH AS MAY BE NECESSARY AFTER DEDUCTING GRANTS THEREFOR', be approved?
> Yes _____ No _____"

The ballot label for said question shall read as follows:

> "Shall the Town of East Haddam appropriate $4,150,000 for the HVAC improvements and chiller replacement projects and authorize the issuance of general obligation bonds and notes in the same amount to finance said appropriation?
> Yes _____ No _____"

The moderator of such Special Town Meeting shall adjourn such meeting after reasonable discussion of such resolution and conclusion of other business as may properly come before the Special Town Meeting and order such vote by voting machine in accordance with this resolution and Section 7-7 of the Connecticut General Statutes.

FURTHER RESOLVED, that the Board hereby authorizes the preparation and printing of explanatory text in accordance with Section 9-369b of the Connecticut General Statutes for the question to be voted upon approved hereby. Subject to the approval of the Town Attorney, the Board further authorizes the preparation and printing of materials concerning the question to be voted upon approved hereby in addition to the explanatory text in accordance with Section 9-369b of the Connecticut General Statutes.

Unanimous aye.

C. Board of Finance HVAC Project Resolution:

Motion made by Mr. Thomas, seconded by Mr. Gelston, to waive the re-reading of the HVAC Project Resolution for the Board of Finance. Unanimous aye.

Motion made by Ms. Whatley, seconded by Mr. Gelston, to adopt the following resolution:

RESOLUTION AUTHORIZING AN APPROPRIATION OF $4,150,000 FOR THE HVAC IMPROVEMENTS AND CHILLER REPLACEMENT PROJECTS AND THE FINANCING OF SAID APPROPRIATION BY THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE TOWN AND NOTES IN ANTICIPATION OF SUCH BONDS IN AN AMOUNT NOT TO EXCEED $4,150,000, OR SO MUCH AS MAY BE NECESSARY AFTER DEDUCTING GRANTS THEREFOR

RESOLVED, that the Board of Finance (the "Board") of the Town of East Haddam (the "Town") hereby accepts the recommendation of the Board of Selectmen, adopted at its meeting held on Wednesday, December 20, 2023, and recommends to the electors and citizens eligible to vote at town meetings of the Town with respect to the following:

(1) That the Town appropriate the sum of $4,150,000 for costs related to (i) the purchase, installation, remediation, repair, upgrade and/or replacement of heating, ventilation and air conditioning (HVAC) system equipment and other indoor air quality improvements, including, without limitation, the upgrading and replacement of building management systems, electrical systems and the implementation of moisture control measures at the East Haddam Elementary School and (ii) the purchase, installation and replacement of an air cooling chiller at the Nathan Hale-Ray High School (the "Projects"). The appropriation may be spent for design, manufacture, installation, replacement and construction costs, equipment, materials, electrical costs, roof work, duct work, the preparation of bid documents, grant applications, cost estimate reports and studies, informational materials and other preliminary materials, studies and reports, the preparation of schematic drawings, plans and specifications, site work, architects' fees, engineer/designer fees, architectural fees, legal fees, capitalized interest, costs of issuance, financing costs, and other expenses related to the Projects or their financing. The Board of Selectmen is authorized to determine the scope and particulars of the Projects. The Board of Selectmen may reduce or modify the scope of the Projects, and the entire appropriation authorized hereby may be spent on the Projects as so reduced or modified.

(2) That to finance said appropriation for the Projects, the Town issue general obligation bonds and notes pursuant to Chapter 109 of the Connecticut General Statutes, Revision of 1958, as amended (the "Connecticut General Statutes"), or any other applicable provision of law thereto enabling, in an amount not to exceed $4,150,000 (or so much thereof as may be necessary after the deduction of grants or other sources of funds available therefor).

(3) That the Town issue and renew notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds or notes for the Projects or the receipt of grants for the Projects. The amount of the notes outstanding at any time shall not exceed $4,150,000. The notes shall be issued pursuant to Section 7-378 of the Connecticut General Statutes. The Town shall comply with the provisions of Section 7-378a of the Connecticut General Statutes with respect to any notes that do not mature within the time permitted by said Section 7-378.

(4) That the First Selectman, or a majority of the Board of Selectmen, and the Treasurer (the "Officials") be authorized to issue and sell bonds and notes secured by the full faith and credit of the Town in an amount not to exceed $4,150,000 (or so much thereof as may be necessary after the deduction of grants or other sources of funds available therefor), pursuant to the Connecticut General Statutes or any other applicable provision of law thereto enabling, to finance the appropriation for such projects having been made by this resolution; that the Officials are hereby authorized to appoint a bank or trust company to be the certifying agent, registrar, transfer agent and paying agent for such bonds and notes; that Updike, Kelly & Spellacy, P.C., Hartford, Connecticut is designated as the attorneys at law to render an opinion approving the legality of such issue or issues; that the Officials be authorized to sign any bonds or notes by their manual or facsimile signatures; and that the Officials be authorized to determine the rate or rates of interest for such bonds and notes, their date or dates, the dates of principal and interest payments on such bonds and notes, the form of such bonds and notes, the provisions for protecting and enforcing the rights and remedies of the holders of such bonds and notes and all other terms, conditions and particular matters regarding the issuance and securing of such bonds and notes and to sell and deliver the same, in accordance with the provisions of the Connecticut General Statutes and any other act of the General Assembly thereto enabling.

(5) That the Officials are authorized to sell the bonds or notes at public or private sale; to deliver the bonds or notes; and to perform all other acts which are necessary or appropriate to issue the bonds or notes. If the bonds or notes authorized by this resolution are issued on a tax-exempt basis, the Officials are authorized to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes, including covenants to pay rebates of investment earnings to the United States in future years.

(6) That the Town reasonably expects to incur expenditures (the "Expenditures") in connection with the Project described above. The Town reasonably expects to reimburse itself for the cost of the Expenditures with the proceeds of general obligation bonds and notes of the Town described above. The maximum principal amount of such debt (both bonds and notes) is not expected to exceed $4,150,000. This declaration of official intent is a declaration of official intent made pursuant to Federal Income Tax Regulations Section 1.150-2. The Officials are authorized to amend such declaration or official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(7) That the Officials are authorized to make representations and enter into written agreements for the benefit of holders of the bonds or notes to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws of rules pertaining to the sale or purchase of such bonds or notes.

(8) That the First Selectman is hereby authorized, on behalf of the Town, to execute any contracts with engineers, contractors, architects and other persons for the Projects, to apply for and accept local, state and federal grants to finance the appropriation for the Projects, and to execute and file any grant application or enter into any grant agreement or other obligations prescribed by such granting entity, including the State of Connecticut.

(9) That the Officials and other proper officers of the Town are authorized to take all other actions which are necessary or desirable to complete the Projects consistent with the foregoing and to issue bonds or notes to finance the aforesaid appropriation.

(10) That this resolution shall become effective after approval at referendum vote.

Unanimous aye.

D. Board of Selectmen Grant Acceptance – Early Voting Grant: Ms. Haines called the Board's attention to materials in their meeting packets regarding notification of a state grant for costs related to implementing and conducting early voting. She advised that this grant shall be managed through the Registrar's Office.

Motion made by Ms. Bourgoin, seconded by Mr. Dill, to adopt the following resolution to be referred to the Board of Finance and then Town Meeting for approval:

RESOLVED: That a grant in the amount of $10,500.00 is hereby accepted from the State of Connecticut, Office of the Secretary of the State for the purpose of costs related to implementing and conducting early voting upon the terms and conditions set forth in an Agreement between The State of Connecticut, Office of the Secretary of the State and the Town of East Haddam. Unanimous aye.

E. Board of Finance Grant Acceptance – Early Voting Grant: Mr. Corbett stated that, per an attached letter from the Office of the Secretary of State, a grant in the amount of $10,500.00 will be given to each municipality for costs related to implementing and conducting early voting.

Motion was made by Mr. Thomas, to accept a grant from the State of Connecticut, Office of the Secretary of the State (revenue account 33050-43000 and expense account 33055011-58820 Project code G2101) in the amount of $10,500 for costs related to implementing and conducting early voting. Initiative by and between the Office of the Secretary of State and the Town of East Haddam and to recommend that the Board of Selectmen schedule a Town Meeting for approval. Ms. Whatley seconded the motion and it was unanimously approved. Motion carried.

4. Board of Finance Adjournment:

There being no additional business to discuss, a motion was made by Ms. Whatley to adjourn the Board of Finance meeting at 7:45pm. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,

/s/

Todd Gelston

Secretary