

TOWN COUNCIL
Town of Trumbull
CONNECTICUT
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TOWN HALL
Trumbull

TELEPHONE
(203) 452-5005



FINANCE COMMITTEE
Minutes
May 29, 2013

The Chair called the Finance Committee meeting to order at 7:05 p.m. All present joined in a moment of Silence and the Pledge of Allegiance.

Present: Debra Lamberti, Chairman, Tony Scinto, Vice Chairman (arrived at 7:10 p.m.), Jane Deyoe, Mark LeClair and Vicki Tesoro.

Absent: Gregg Basbagill, Ann Marie Evangelista, Alternate and John DelVecchio, Jr., Alternate.

Also Present: Carl A. Massaro, Jr. Town Council Chairman, Elaine Wang, Chief of Staff (arrived at 7:11 p.m.), Maria Pires, Finance Director, John Marsilio, Public Works Director, Ed Lavernoch, Economic and Community Development Director.

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1. RESOLUTION TC24-141: Moved by Ms. Tesoro, seconded by Mr. LeClair.
BE IT RESOLVED, That the reappointment by the First Selectman of Eric Gross of 117 Suzanne Circle as a member of the Ethics Commission, be and the same is hereby approved for a term extending to December 5, 2016.

Mr. Eric Gross of 117 Suzanne Circle was present and indicated his party affiliation as democrat. He has served on the commission for three (3) terms; this is second term serving as vice-chairman. He has practiced law for 41 years, has lived in Town since 1980 and also has previously served on Town Council.

VOTE: Motion CARRIED unanimously.

2. RESOLUTION TC24-136: Moved by Mr. LeClair, seconded by Ms. Deyoe to read the title and section 1 of the resolution and waive the reading of the remainder of the resolution incorporating the full text into minutes of this meeting.

VOTE: Motion Carried unanimously.

Mr. Deyoe read the title and section 1.

(Mr. Scinto arrived at 7:10 p.m.)

RESOLUTION TC24-136: Moved by Ms. Deyoe, seconded by Mr. LeClair to adopt the resolution as introduced.

RESOLUTION TC24-136: BE IT RESOLVED, That a resolution entitled "RESOLUTION APPROPRIATING \$5,650,000 FOR THE TRUMBULL (TOWN) CAPITAL IMPROVEMENT PLAN 2013-2014 AND AUTHORIZING THE ISSUE OF \$5,650,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE

ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE” is hereby approved. *(Full Resolution Attached)*

Ms. Pires explained the BoF denied the TNAC renovation in the amount of \$50,000, (page 8 of 9 of the CIP funding plan). The deduction changes the summary page provided to the committee, under “Other” it should read as \$327,000; the total would be reduced to \$5,592,168 and the bonding costs would be \$57,832, there is no change to the bond amount, leaving the bond resolution at the same total of \$5,650,000.

Mr. Marsilio reviewed the Town of Trumbull Capital Improvement Plan (CIP) Town Bonding Plan line by line, (Details of the review are attached).

Mr. Marsilio indicated to Ms. Tesoro on page 9 of the bonding plan there are a number of roads listed that were not paved because there are sanitary and/or storm drainage defects in the roads. Maintaining the lines is the responsibility of the WPCA. Until the defects are repaired those roads will not be paved. Ms. Tesoro requested that last years plan be compared to this year’s to see which roads were not finished last year. Mr. Marsilio stated there was a budget set for last year’s roads, some of the roads went over budget, and some of the roads on the bottom of list could not be paved. The roads that were on last year’s list do need to be paved. This project needs to be finished as well as some of the roads that dropped off last year’s list and some that require remediation. There are some roads that need to be paved that have not been tested yet as well. Mr. Marsilio agreed the list would be forwarded. Ms. Pires explained for Ms. Jankovic-Mark that the total for the roadways is \$4,658,000. \$2.5 million of that will come from the WPCA. \$2.1 is included in the Town CIP bond.

Mr. Marsilio reviewed the Public Works Yard, EMS Building and the Highway Equipment and Parks sections line item by line item with the committee. (Details of the review attached)

Mr. Marsilio indicated for Ms. Tesoro that the Visitor Center grant has not been awarded to date. The Rails to Trails bids will be in on Friday May 31, 2013.

Ms. Jankovic-Mark noted for the record that she was disappointed that there are no funds in the WPCA Enterprise account for the final items that could be expensed. They look like items that should not be bonded. Mr. Marsilio explained the debt service for those items will be paid for out of the WPCA budget. Ms. Pires stated that the \$1.34 million principal and interest will be paid for out of the WPCA account.

Ms. Pires indicated that on the Summary page of the Town of Trumbull CIP Town Bond Funding 2013 the Public Facilities \$718,000 needs to be changed to \$689,000 representing the Public Works Yard Sustainability/Energy Conservation line item (\$29,500) is in the wrong column and needs to be moved to the grant column. The other change necessary referenced earlier at this meeting is the \$50,000 for the TNAC renovation denied by the BoF. The total amount of the bond would now be \$5,552,668, with bonding costs of 1% bringing the total to \$5,608,000. The bond counsel rounds to the nearest \$5,000, bringing the total bond authorization to \$5,615,000. Ms. Pires will confirm this amount with bond counsel before the full Town Council meeting.

Moved by Ms. Deyoe, seconded by Mr. Scinto to amend the bond amount to \$5,615,000.

VOTE: Motion CARRIED 4-1 (Against: Tesoro)

VOTE: As amended CARRIED 4-1 (Against: Tesoro)

*By unanimous consent the committee took Resolution TC24-129 out of order.

3. RESOLUTION TC24-129: Moved by Ms. Tesoro, seconded by Ms. Deyoe.

BE IT RESOLVED, That First Selectman Timothy M. Herbst, be and same, is hereby authorized and directed, on behalf of the Town of Trumbull, to execute and deliver the C-PACE Agreement, substantially in the form attached to this Resolution, for the purposes provided therein. *(Full Resolution Attached)*

Mr. Scinto left the meeting at 8:05 p.m.

Mr. Lavernoich explained the resolution would authorize the First Selectman to sign an agreement with the Clean Energy Investment Authority that allows the municipality to opt into the program and Trumbull commercial property owners to apply for funding. Mr. Lavernoich distributed an outline of the program with an attached letter from the Economic Development Commission and reviewed it in detail with the Finance Committee (See Attached)

(Mr. Scinto returned to the meeting at 8:09 p.m.)

Highlights of the outline are as follows:

- The property has to save more in energy efficiency than it accepts in cost/debt service on an annual basis.
- The Town is required to send notices to the property owners who participate and collect what the property owners have to pay.
- The Town remits payment to the authority.
- In cases of delinquency the Town would be responsible for placing liens on the land records for the properties. The cost is a burden of the authority and would reimburse the Town for the expense of the lien. If collection is necessary there will be an agreement made at that time that the authority will reimburse the Town for all of the expenses of collection, or will delegate the right of collection to one of the investors in the authority's capital pool.
- If a municipality does not participate in the program none of the property owners can utilize the financing.
- The hope is that older buildings in Town would become more efficient and that would raise the value of the building and would be more competitive in attracting tenants and/or businesses to Town. This could result in a higher yield in property taxes for the Town.

The Town Attorneys are satisfied as well as the Tax Assessor's office with the agreement as it has been it is currently written. They had issues prior to this which is why the resolution had been delayed. The Tax Assessors' Office does have a lasting concern. If the program becomes popular their new tasks could be significant although if there are only a few applicants the task would be minimal. There is a termination provision included in the agreement.

The two applicants from Trumbull that wish to make application are the Sport Zone and Nutmeg Drive. The application for Nutmeg would be for \$450,000. Ms. Wang stated that there is a small cost associated with the program. Mr. Lavernoich stated that it is probably in the low 4-figure cost more likely to be only in the \$100's of dollars. Ms. Wang stated the cost would represent the cost of the software to print the bills, monitor and track.

Ms. Tesoro stated that she needed more time to review the materials would rather not vote on the resolution at this time.

Moved by Ms. Tesoro, seconded by Mr. Scinto to send without recommendation.

VOTE: Motion CARRIED 3-2 (Against: Deyoe and LeClair)

4. RESOLUTION TC24-137: Moved by Mr. Scinto, seconded by Mr. LeClair to read the title and section 1 of the resolution and waive the reading of the remainder of the resolution incorporating the full text into minutes of this meeting.

VOTE: Motion Carried unanimously.

Mr. LeClair read the title and section 1.

Moved by Mr. LeClair, seconded by Mr. Scinto to adopt the resolution as introduced.

RESOLUTION TC24-137: BE IT RESOLVED, That a resolution entitled "RESOLUTION WITH RESPECT TO THE AUTHORIZATION, ISSUANCE AND SALE OF NOT EXCEEDING \$30.0 MILLION TOWN OF TRUMBULL 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" is hereby approved. *(Full Resolution Attached)*

Ms. Pires stated that if it is advantageous for the Town to refund certain bond issues they do so as has been in the past. The Town's financial advisor has recommended the 2004, 2007 & 2008 bond issuances could be potentially favorable by saving the Town money with a refunding. By having the resolution in place, if the opportunity arises for the Town to save money the Town could take advantage of it. Refunding is like a refinancing of a mortgage with a lower interest rate but would only base it on the life that is left on the bond; they would not make the term longer. The resolution place has to be in place in order to be able to do this. The Town's financial advisor is always looking for a refunding opportunity.

VOTE: Motion Carried unanimously.

5. RESOLUTION TC24-138: Moved by Mr. Scinto, seconded Ms. Deyoe.
BE IT HEREBY RESOLVED THE TOWN WRITTEN PROCEDURES WITH RESPECT TO TAX EXEMPT BOND POST ISSUANCE COMPLIANCE AS ATTACHED HERETO, ARE HEREBY APPROVED. *(Full Resolution Attached)*

Ms. Pires explained this represents post issuance compliance policies that the bond counsel has recommended. The IRS is now looking at the tax exempt bonds closely and is auditing municipalities to make sure they are in compliance with the issuance of the tax exempt bonds. The Town wants to be ahead of the IRS. The majority of the policies the Town have been following all along, but now they will be written policies. In the event of an audit the IRS is more lenient to the Town if they are in place if they have issues, (i.e. if the town borrows at 4% and the Town makes 5% on the investments those funds have to be used within 18 months of borrowing). The Town only borrows as the project is almost completed so this not an issue for the Town.

VOTE: Motion Carried unanimously.

There being no further business to discuss and upon motion made by Mr. Mr. LeClair, seconded by Ms. Deyoe the Finance Committee adjourned at 8:31 p.m.

Respectfully Submitted,

Margaret D. Mastroni, Town Council Clerk

Details of the Town of Trumbull Capital Improvement Plan Town Bond Funding 2013
Town Council Finance Committee Review

Roadways:

Mr. Marsilio indicated the following:

- Contract IV was awarded to the low bidder. The contract included approximately \$5.5 to \$6.5 million for finish road paving. He was made aware the same detail as the Jog Hill project's detail was used for the Contract IV, (milling the road and adding 2" of asphalt. This did not take into account whether the roadway area outside the trench disturbance had potholes or any other issues. This was not satisfactory to him, the roads needed to be paved curb -to-curb to give them a certain lifetime of 20 years. They discovered what was included in this bid at approximately \$6 million the Town could do in-house for \$4.5 million by taking advantage of State bid pricing. Legal opinion confirmed that they could take the paving out of the contract.
- The CIP bond includes ½ of the money for the roadways, (\$2.5 million).
- The WPCA assessments include \$2 million for the roadways.
- The taxpayers are paying for the portion of paving the roads that everyone uses and the rate payer is paying for the portion of the road that was disturbed by the installation of the sanitary sewers that they have the benefit of.
- This reflects the whole paving program. It will start in 1½ weeks. On the Town side all of the drainage is being fixed and camera testing all the storm drainage.
- When this is complete there will be only one issue left and that will entail excavation of these roads. The department will revise the ordinance to read as the State says, if someone is to excavate in the road, they will own the maintenance of that excavation until the road is resurfaced again. This revision will be brought to the Town Council in the near future.

Public Facilities:

Mr. Marsilio indicated the following:

- Wash bay had not been done to date.
- \$20,000 to start the assessment for what needs to be done to renovate the Highway facility. Sleeping, showering, storage for canned food and food preparation areas are needed for a storm/emergency event. The \$20,000 is for the assessment only.
- Grant/Other represent the Town's partnership with U.I. and represent no cost to the Town.
- Library boiler needs to be done asap.
- Police items will be brought with their tech bond (\$157,000)
- Town Hall security will be addressed in the plan.
- The Public Works Yard Sustainability/Energy Conservation line item is in the wrong column and needs to be moved to the grant column. Ms. Pires indicated that would need to be corrected.
- The Highway clamshell is a 1980's model as well as the John Deere 1988 model is being replaced. After this winter's Storm Nemo it was determined that a loader is needed in every quadrant of Town to pull the trucks out when they get stuck during a severe storm.

Economic Development:

Mr. Lavernoch reviewed Economic Development as follows:

- A \$500,000 grant was submitted to the Main St. Investment Fund Program last fall, the Town pledge a match of \$100,000 to be competitive in the program. They have been delayed in awarding the program and have still not made them. If they do not receive the grant they will not use the funds.

- Unilever Traffic Safety - Speeding is an issue at the Corporate Park. A minor study had been commissioned a number of safety suggestions have been made. Tighe & Bond is on the approved design list for Town and had done the study.
- The \$100,000 was removed due the fact the generator was the most practical solution; Stop & Shop will not be included.
- The TNAC renovations were removed by the TNAC.
- They are no longer interested in pursuing Best use Analysis of the Reservoir area in the short term, they may come back with this item in the future.

Parks:

Mr. Marsilio indicated:

- Ranger Station is to be relocated to the 4200 sf modular building/facility on Quarry Road awarded in the land swap for the high school. This is TBD. The building requires HVAC, roofing and ADA compliance work.
- Tennis Court resurfacing was removed by the BoF. Mr. Marsilio indicated that it will be done, it necessary to maintain the warranty, it will be done with funds from their maintenance accounts. Ms. Pires added that the BoF did indicate that they could go back for a supplemental if this money is needed.
- Invasive species mitigation is to meet the Army Corps requirement for Contract IV and will come out of the WPCA budget. The Army Corps is pleased with the project. It may need to be done in two (2) phases.
- The greenhouse next to the Abraham Nichols barn is in poor shape if it is not renovated it will need to be torn down. It is a safety issue.
- The basketball court at Tashua Knolls is used for summer Recreation Dept. programs and will need to be patched. The BoF removed this from the bond because they felt this should be a maintenance project.

Other Projects:

Mr. Marsilio indicated:

- Moose Hill Road is a grant / a 2014-2015 project
- Old Town Road - This had been brought to the GBRC because it crosses two towns. It has expanded to Broadbridge Avenue to Fairfield at Sacred Heart University and extending the bikeway, widening the road and putting in sidewalks on Old Town Rd. It will develop into a very nice project. This represents the Town's match portion.
- Bridge Repair - Money to craft a grant application for the Brock Street bridge at the entrance of Twin Brooks. An assessment of the bridge has to be done in order to make the application.
- Riveredge Restoration is a grant.
- Horse Tavern Brook is important to the residents near Twin Brooks Park. There are resident there who are paying high flood insurance premiums because someone got the geotechnical data wrong and their homes were labeled in the flood plain but are not. It is incumbent upon the Town to prove to the Army Corps of Engineers that they are wrong.
- Mary Bill property has barns that are an attractive nuisance; they are off the road and can not be controlled. It is important to secure the structures.
- Canoe Brook Leak-Off is a drainage project to divert storm water that has been on the list for a long time.

WPCA:

Mr. Marsilio indicated:

There is an I&I on-going leak study going on throughout Town mandated by DEEP. DEEP paid for 2/3 of it. This involves the portion of Town that I 30-40 years old. leaks and/or sump pump discharge and rainwater is going to the Bpt. Water Treatment facility that should not be. The

town has to pay for the pumping and the treatment thereof. DEEP recognizes that the Water Treatment Facilities are at their limits and they want to remove all of the water from the sanitary sewer lines that do not belong there.

- Road repairs are for the repairs they did not get to last year.
- Immediate repairs are for the leaks that need immediate repair per the DEEP.
- There is a plan to put Strobel Road on the paving list for 2014. There is a list of repairs necessary before paving it.
- They want to integrate all of the pup stations into one dashboard.
- A new generator is needed for the Park Avenue pump station.

RESOLUTION APPROPRIATING \$5,650,000 FOR THE TRUMBULL (TOWN) CAPITAL IMPROVEMENT PLAN 2013-2014 AND AUTHORIZING THE ISSUE OF \$5,650,000 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 \$5,650,000 is appropriated for the planning, acquisition and construction of the Town of Trumbull (Town) Capital Improvement Plan 2013-2014, as adopted and amended by the Town Council from time to time, and consisting of: (i) roadways; (ii) work on Public Facilities including the Trumbull Library, Town Hall, Police Headquarters, the Senior Center, the Public Works Yard and the EMS Building; (iii) Fleet and equipment; (iv) other projects, consisting of recreation, roads, and environment projects; and (v) enterprise (WPCA), and for appurtenances, equipment and services related thereto, or for so much thereof or such additional improvements as may be accomplished within said appropriation, and for administrative, advertising, printing, legal and financing costs to the extent paid therefrom. Said appropriation shall be in addition to grant funding and all prior appropriations for said purpose. The Town Council may by resolution transfer funding herein authorized among projects within the 2013-2014 Town CIP.

Section 2. To meet said appropriation \$5,650,000 bonds of the Town or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the twentieth year after their date. Said bonds may be issued in one or more series as determined by the First Selectman and the Town 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 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, that the full faith and credit of the Town are pledged to the payment of the principal thereof and

the interest thereon and will be paid from property taxation to the extent not paid from other sources. 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 approved by the Town Officials.

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, that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon and will be paid from property taxation to the extent not paid from other sources. 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 resolution.

Section 7. It is hereby found and determined that it is in public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the Town 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 governments pursuant to law including but not limited to any "tax credit bonds" or "Build America Bonds" including Direct Payment and Tax Credit versions.

RESOLUTION WITH RESPECT TO THE AUTHORIZATION,
ISSUANCE AND SALE OF NOT EXCEEDING \$30.0 MILLION
TOWN OF TRUMBULL 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. \$30.0 Million principal amount of refunding bonds of the Town of Trumbull, or so much thereof as shall be necessary, are hereby authorized to be issued and the proceeds there from appropriated for the purpose of refunding, including advance refunding, all or any portion of the aggregate principal amount of any issue of Town of Trumbull (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 2004, 2007 and 2008 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 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 First Selectman and Town Treasurer (the "Town Officials"). 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 Town Officials pursuant to Section 7-370 of the General Statutes. The bonds and notes shall be general obligations of the Town, and each bond and note shall recite that every requirement of law relating to its issue has been duly complied with, that it is within every debt and other limit prescribed by law, that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon, and will be paid from property taxation to the extent not paid from other sources. 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 shall not exceed \$30.0 Million.

Section 3. The Town Officials are hereby authorized on behalf of the Town 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 Town Council.

Section 8. It is hereby found and determined that it is in public interest to issue all, or a portion of, the Bonds, Notes or other obligations of the Town 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 governments pursuant to law including but not limited to any "tax credit bonds" or "Build America Bonds" including Direct Payment and Tax Credit versions.

**Resolution Authorizing Town of Trumbull Written Procedures
With Respect to Tax Exempt Bond Post Issuance Compliance**

Be it hereby resolved:

The Town of Trumbull Written Procedures With Respect to Tax Exempt Bond Post Issuance Compliance as attached hereto, are hereby approved.

Town of Trumbull Written Procedures with respect to Tax Exempt Bond Post Issuance Compliance

1. Identify bond financed property.

- a. The Town of Trumbull (the "Town") will keep a list of all bond financed property, each bond issue that finances its acquisition or improvement, and the last maturity of each such issue.

The Town's financial software may be utilized through filtering for bond financed property to create the list. The software may be further filtered to include the last maturity of bonds issued to finance the property. The property list will be maintained on file with the finance office and will be updated with each issue of tax exempt bonds, notes or other obligations.

- b. Each transaction or contract involving town property will be referred to the finance office to determine if it involves bond financed property.
- c. Each contract involving bond financed property "use rights", e.g. a lease or sale of the bond financed property, its management or other contract that confers rights in the property with respect to use, ownership, management, revenue sharing, or special entitlements, will be reviewed with bond counsel prior to entering into the contract. Examples include school cafeteria management contracts, concession stands at town facilities, cell phone tower land leases, haying or mowing rights, parking rights, economic development agreements and special pricing for sewer or water facility use that is not generally available to the same class of users. Contracts involving maintenance, repair, cleaning or other arrangements incidental to Town ownership are not considered to involve use rights.
- d. Each Department Head in Town will be provided a list of the bond financed property within the ambit of his/her department, and instructed that any contract involving use rights with respect to property on the list is to be brought to the attention of the Director of Finance prior to being entered into.

2. Bond Proceeds.

- a. The Town will endeavor to not commingle bond proceeds with other Town funds. The Town will deposit new money bond proceeds in a constant net asset value mutual fund permitted for investments by Connecticut municipalities, e.g. the State of Connecticut's Short Term Investment Fund, and in an account indentified for each such new money borrowing date. Payment of expenditures from proceeds will be made from such fund until the proceeds of the issue are fully expended, subject to sub section (d) and the advice of Bond Counsel.
- b. If the town does not invest in a constant net asset value mutual fund, it will obtain investments at market price.
- c. The Town will calculate the expended and unexpended proceeds from each issue not less frequently than annually, in **February** of each year, except that, if the Town determines from calculations performed pursuant to the next sentence that

it has or will have met any rebate expenditure requirement as of the ensuing February, such February calculation need not be performed. In addition, the Town will review and make a record of its expenditures for all prior issues for which proceeds are unexpended simultaneously with each issuance of bonds.

- d. With each Town calculation of expended and unexpended proceeds, the Town will determine whether its expenditures are in compliance with the rebate expenditure exception applicable to such issue, if any. If expenditures do not meet the rebate expenditure exception requirements, the Town will contact bond counsel and contract with a rebate calculation firm no later than two weeks after the Town calculation to schedule a rebate calculation by a rebate calculation firm so as to timely determine and pay rebate, if any.
 - e. In addition to compliance with the rebate expenditure exceptions, the Town will determine whether unexpended proceeds remain 3 years after the date of issue, or if proceeds are **likely** to remain unexpended 3 years after the date of issue. If either of the foregoing conditions exist, the Town will contact bond counsel for guidance so as not to violate the three year temporary period regulations with respect to the investment of bond proceeds, and thereby to take steps to preserve the tax exemption of the bonds from which the unexpended proceeds derived.
3. Records.
- a. The Town will maintain records of the investment (including purchase and sale price) and expenditure of bond proceeds, the property improved or acquired with the bond proceeds, and the bond transcript constituting the documental evidence of the issuance of the bonds. With respect to investments, to the extent funds are commingled with other non proceeds, the Town will keep a record of all investments of all the commingled funds, including but not limited to the proceeds.
4. Compliance with Tax Documents.
- a. The provisions of these post issuance compliance procedures will be in addition to the provisions of the tax regulatory agreement or other tax documents entered into in conjunction with the issuance of the bonds.
5. Definitions:
- a. Bonds means any bond, notes, leases or other obligations or evidence of indebtedness the interest paid pursuant to which is excluded from gross income pursuant to section 103 of the internal revenue code, or to any Tax Credit bond issued pursuant to section 54 of the internal revenue code, or similar provision, having post issuance compliance requirements analogous to tax exempt bonds, or intended to achieve Town savings which are the economic equivalent of tax exempt bond issuance.
 - b. "Proceeds" means sale proceeds delivered to the Town as a result of issuance of the bonds, and any other amounts that might arise in connection with or after

issuance of the bonds such as “replacement proceeds”. An example of replacement proceeds is the establishment of a sinking or other fund accumulated to pay debt service on bonds. The Town will confer with bond counsel in the event it establishes a sinking fund, or if other amounts are pledged or set aside to pay debt service.

- c. “New Money” means Proceeds obtained from Bonds that when issued were not refunding bonds.

6. Amendments.

The Director of Finance may amend these Written Procedures from time to time. The Procedures shall be amended upon filing the same with the Town Council, and, in the absence of objection from the Town Council the Written Procedures as amended shall become effective.

(Remainder of Page Intentionally Left Blank)

RESOLUTION TC24-129: WHEREAS, Section 157 of Public Act No. 12-2 of the June 12, 2012 Special Session of the Connecticut General Assembly (the "Act") established a program, known as the Commercial Property Assessed Clean Energy (C-PACE) program, to facilitate loan financing for clean energy improvements to commercial properties by utilizing a state or local assessment mechanism to provide security for repayment of the loans; and

WHEREAS, the Act authorizes the Clean Energy Finance and Investment Authority (the "Authority"), a public instrumentality and political subdivision of the State charged with implementing the C-PACE program on behalf of the State, to enter into a written agreement with participating municipalities pursuant to which the municipality may agree to assess, collect, remit and assign, benefit assessments to the Authority in return for energy improvements for benefited property owners within the municipality and for costs reasonably incurred by the municipality in performing such duties; and

WHEREAS, the Commercial Property Assessed Clean Energy ("C-PACE") Agreement (the "C-PACE Agreement") between the Town of Trumbull and the Authority, as attached hereto, constitutes the written agreement authorized by the Act.

NOW, THEREFORE, BE IT RESOLVED, That the Town Council constituting the legislative body of the Town of Trumbull, hereby approves the C-PACE Agreement. and

BE IT FURTHER RESOLVED, that First Selectman Timothy M. Herbst, be and same, is hereby authorized and directed, on behalf of the Town of Trumbull, to execute and deliver the C-PACE Agreement, substantially in the form attached to this Resolution, for the purposes provided therein, together with such other documents as he may determine to be necessary and appropriate to evidence, secure and otherwise complete the C-PACE Agreement

The C- PACE program is intended to allow commercial property owners to cost- effectively finance energy efficiency improvements.

The program was established by the Clean Energy Finance and Investment Authority- a quasi-public agency created by the state legislature.

The program's promise of attractive financing was built on the assumption that financial markets would make capital available for loans if: 1) the risk could be spread over many projects; and 2) high priority liens could be placed on the improved real estate.

The program is voluntary for commercial property owners.

The Authority will only approve loans for projects wherein the estimated annual energy savings will be greater than the annual cost of the debt service for the property owner.

The Authority requires Municipalities to place assessments (essentially notices of required payments) and liens on the participating properties. The liens and assessments are high priority, lower than only property tax liens. The costs of filing the liens and assessments on the land records will be an expense of the Authority.

Municipalities must collect the assessments just like property taxes, and remit the funds to the Authority.

If a Municipality does not participate in the program, none of its property owners can utilize the financing.

The Authority reports that 30 Towns and Cities have entered into agreements to participate in the program, and more than 100 applications are currently being processed. As of May 1, there were reportedly 4 approved loans. Reportedly, there are two (2) property owners in Trumbull that have already applied for the program.

The hope is that the program will encourage rehabilitation and general investment in commercial buildings, as well as make those buildings more competitive in attracting companies, whether they are tenants or new owners.

The agreement in its current form is the result of negotiation between Town Attorney Dennis Kokenos and the attorney for the Authority.

The Tax Collector's Office is concerned about the new/ additional tasks associated with running the program, if many property owners participate.

The Economic & Community Development Commission has endorsed the Town's participation in the C- PACE Program. (attached)



**TOWN OF TRUMBULL
ECONOMIC AND COMMUNITY DEVELOPMENT COMMISSION**

January 9, 2013

VIA E-MAIL DELIVERY

Margaret D. Mastroni
Town Council Clerk, Town of Trumbull
5866 Main Street
Trumbull, Connecticut 06611

**Re: Town Council February 2013 Meeting
Connecticut Property Assessed Clean Energy Program (C-PACE)**

Dear Ms. Mastroni:

On behalf of the Town's Economic and Community Development Commission (ECDC), kindly accept this letter for submission to the Town Council at its February 2013 general meeting.

The Town's Economic & Community Development Director, Edward Lavernoich, has presented the Commission with information concerning a new program being introduced by the State, the Connecticut Property Assessed Clean Energy Program (C-PACE). Our current understanding of C-PACE is that it is a program intended to promote energy efficient ("green") improvements by local businesses through a public/private financing mechanism. Several municipalities throughout the State have either approved, or are in the process of approving, their participation in C-PACE. Participation in C-PACE, both for municipalities as well as businesses interested in involving themselves with the program, is voluntary. We understand that the Town Council will soon be presented with a resolution allowing for Trumbull to participate in C-PACE.

From the perspective of the ECDC, participation by the Town in C-PACE would be a benefit to Trumbull as well as our business community. C-PACE would provide an option for local businesses seeking to pursue financing for green improvements to their businesses. Working to provide an environment in the Town which fosters appropriate business growth, development

Trumbull Town Council
January 9, 2013

and retention is a key goal of the ECDC. We believe that C-PACE, as a tool that the Town can offer to interested local businesses, can be a productive means to further accomplish this goal.

Based on the information currently available to us, C-PACE would entail no financial obligation by the Town and minimal administrative duties by the Town departments. We encourage the Town Council to fully investigate C-PACE to ensure that the Town bears no risks associated with the program. If there are no such risks, Trumbull's participation in C-PACE would be a worthwhile activity to further create an environment conducive to desirable development as well as promote a competitive advantage for the Town over other municipalities that do not have C-PACE to offer to their businesses.

Mr. Lavernoich continues to investigate the details of a C-PACE program in Trumbull and is happy to answer any questions you may have regarding same.

Thank you in advance for your review and consideration of this program.

Very truly yours,

Scott M. Wich
Chairman
Town of Trumbull
Economic and Community Development Commission

cc: Timothy M. Herbst, First Selectman, Town of Trumbull (via hand delivery)
Carl A. Massaro, Jr., Chairman, Trumbull Town Council (via e-mail)
Edward Lavernoich, Director, Trumbull Economic & Community Development
Commission (via hand delivery)

