

TOWN COUNCIL  
**Town of Trumbull**  
CONNECTICUT  
www.trumbull-ct.gov

TOWN HALL  
Trumbull

TELEPHONE  
(203) 452-5000



FINANCE COMMITTEE  
MINUTES  
JULY 7, 2020

The Vice-Chair announced Lisa Valenti will be stepping down as chairman and Kevin Shively will take over as chairman. Mr. Shively thanked Ms. Valenti for all her service over the past few years as chairman, she will still be a member of the committee and the council.

CALL

TO ORDER: Chair called the virtual zoom meeting to order at 7:40 p.m.

The clerk called the roll and recorded it as follows:

PRESENT: Dawn Cantafio, Vice Chairman, Kevin Shively, Michael Miller, Tony Scinto, Lori Rosasco Schwartz and Mary Isaac, Alternate

ABSENT: Lisa Valenti and Donna Seidell, Alternate

ALSO

PRESENT: First Selectman Vicki A. Tesoro, Town Council Chairman, Town Council members, Eric Paulson, Jason Marsh, Director of Finance Maria Pires, BOF Member Vincent Degenarro, AL Cameron of the BOE, Chief Administrative Officer Cynthia Katske, Labor Relations Director Thomas McCarthy, Economic & Community Development Director Rina Bakalar (joined the meeting at 8:32 p.m.), Town Attorney Daniel Schopick.

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All present joined in the Pledge of Allegiance.

1. RESOLUTION TC28-81: Moved by Miller, seconded by Cantafio  
BE IT RESOLVED, That a resolution entitled "A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF TRUMBULL AUTHORIZING THE EXECUTION AND DELIVERY OF AN EQUIPMENT LEASE/PURCHASE AGREEMENT WITH RESPECT TO THE REFINANCING AND LEASING OF CERTAIN EQUIPMENT

FOR THE PUBLIC BENEFIT WITHIN THE TERMS PROVIDED HEREIN;  
 AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS  
 REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING  
 OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE  
 TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION” is hereby approved.  
 (Full Resolution Attached)

Attorney Schopick explained this resolution takes three existing equipment leases that the town entered into on behalf of the BOE, and combines them into one lease and restructures the debt. Mr. DeGenarro and alternate on the BOF has put this together.

Mr. DeGenarro explained in an effort to reduce the BOE’s cash flow to help their budget they contacted the Banc of America with the three leases in place and asked them to come up with something to reduce the cash flow. They came up with a 16.5 year lease which is really 13.5 years of payments with a savings of \$276,000 per year. The lease is structured in a way that it’s one lease but with the same terms and conditions as the three existing leases with buy-out options, 30-day notice before the pay periods and it has a penalty if they choose to buy out at 2%. This started this back in March and April. They first looked at options with the thought it might be better for the town to bond this as opposed to a lease, but after speaking with the financial advisor on May 19<sup>th</sup>, given the attractive rate for the lease and the terms and conditions remaining the same and considering the cost of bonds the thought was to proceed with the lease. The only caveat with this it is based on the schedule that after 5.5 years it will cost the town money, within 5 years they will look again at bonding the remaining balance or continue with the lease, if things are bad he is sure Banc of America could extend this again. The equipment is from the original performance lease which was approved in 2015, 2016 and 2017. The equipment does have a long life. There was boilers, and lighting, the leases were separate but all of the installations were done at a different time. There may be other opportunities, but had focused on the performance contract, other opportunities would have to be investigated.

The Chair extended his gratitude to Mr. DeGenarro for taking a hard look at this.

The clerk called the roll call vote and recorded it as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>
Dawn Cantafio	X		
Kevin Shively	X		
Michael Miller	X		
Laurie Rosasco-Schwartz			X
Tony Scinto			X
Mary Isaac	X		

VOTE: Motion CARRIED 4-0-2 (ABSTENTION: Rosasco-Schwartz and Scinto).

2. RESOLUTION TC28-82: Moved by Rosasco-Schwartz, seconded by Cantafio  
 BE IT RESOLVED, Whereas the Capital Improvement Plan (Town) 2020-2021 (“Town CIP 20-21”) appropriation and bond authorization was originally proposed in the amount \$7,632,000; Whereas the Board of Finance approved a reduced appropriation and bond authorization for the Town CIP 2020-2021 in the amount of \$7,332,000; Whereas the Town Council intended to adopt the Town CIP 2020-2021 appropriation and bond resolution in the amount and as approved by the Board of Finance, but through oversight unanimously adopted the resolution in the full original amount; Now Therefore, be it Resolved by the Town Council: The intent of the Town Council in adopting the resolution is hereby confirmed to be the Town CIP 2020-2021 Bond Resolution as attached hereto, as adopted by the Board of Finance and in the amount of \$7,332,000, and the vote thereon at the June 9, 2020 Council meeting shall be applied and understood accordingly. The Council Clerk shall publish such notices as deemed appropriate and upon advice of counsel. (Full Resolution Attached)

Ms. Pires explained the two items reduced were the Aquatic Facilities design and the Senior Center. Both were originally budgeted for \$200,000 and were reduced to \$50,000 there was a total reduction of \$300,000.

The Chair noted that the council through oversight had voted on the full amount and want to make sure the vote reflects confirmation of what was approved. As the resolution is written the vote of the Town Council is being confirmed as the affirmation of the approved amount by the BOF. We are confirming the amount of \$7,332,000 as passed by the BOF.

The clerk called the roll call vote and recorded it as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>
Dawn Cantafio	X		
Kevin Shively	X		
Michael Miller	X		
Laurie Rosasco-Schwartz	X		
Tony Scinto		X	
Mary Isaac	X		

VOTE: Motion CARRIED 5-1 (AGAINST: Scinto).

3. RESOLUTION TC28-83: Moved by Isaac, seconded by Cantafio  
 BE IT RESOLVED, That the funding for a labor agreement between the Town of Trumbull and UPSEU-DPW Local 424 Unit 108 (Non-Supervisory) Highway & Parks Employees beginning July 1, 2019 and ending June 30, 2022 is hereby approved.

Moved by Rosasco-Schwartz, seconded by Cantafio to recess/non-meeting.

VOTE: Motion CARRIED unanimously and the committee recessed at 8:04 p.m.

The Chair called the meeting back to order at 8:34 p.m.

The clerk called the roll call vote and recorded it as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>
Dawn Cantafio	X		
Kevin Shively	X		
Michael Miller	X		
Laurie Rosasco-Schwartz			X
Tony Scinto		X	
Mary Isaac	X		

VOTE: Motion CARRIED 4-1-1 (AGAINST: Scinto) (ABSTENTION: Rosasco-Schwartz and Scinto).

4. RESOLUTION TC28-84: Moved by Scinto, seconded by Cantafio  
BE IT RESOLVED, That the application to the State of Connecticut Department of Revenue Services (DRS) for the Neighborhood Assistance Act program is hereby authorized to include Connecticut Radio Information System (\$5,000), the Kennedy Center (\$150,000) and Make-a-Wish Foundation of CT (\$150,000); and First Selectman Vicki A. Tesoro, or her designee, is hereby authorized to submit such application and sign all related forms, contracts and reports in order to implement the Neighborhood Assistance Act program. (Full Resolution Attached)

Ms. Bakalar explained this is a program for non-profits to earn tax credits. This is done annually through the town, the town develops the package and submits the package. Some years we have new businesses and others apply almost every year. This year we have three non-profits. Ms. Bakalar manages the program for the town.

The clerk called the roll call vote and recorded it as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>
Dawn Cantafio	X		
Kevin Shively	X		
Michael Miller	X		
Laurie Rosasco-Schwartz	X		
Tony Scinto	X		
Mary Isaac	X		

VOTE: Motion CARRIED unanimously.

There being no further business to discuss and upon motion made by Rosasco-Schwartz, seconded by Cantafio the Finance Committee adjourned by unanimous consent at 8:39 p.m.

Respectfully Submitted,

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Margaret D. Mastroni, Clerk

## FULL RESOLUTIONS

### RESOLUTION TC28-81:

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF TRUMBULL AUTHORIZING THE EXECUTION AND DELIVERY OF AN EQUIPMENT LEASE/PURCHASE AGREEMENT WITH RESPECT TO THE REFINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT WITHIN THE TERMS PROVIDED HEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, THE TOWN OF TRUMBULL (the Governing Body) (the “*Lessee*”), a Municipality duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of CONNECTICUT, is authorized by the laws of the State of CONNECTICUT to acquire, finance, refinance and lease personal property for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the Lessee desires to refinance and lease certain equipment that have been acquired, installed and financed pursuant to Prior Leases (as defined in the Agreement) with a cost not to exceed \$4,671,000 constituting personal property necessary for the Lessee to perform essential governmental functions (the “*Equipment*”); and

WHEREAS, in order to refinance such Equipment, the Lessee proposes to enter into that certain Equipment Lease/Purchase Agreement (the “*Agreement*”) with Banc of America Public Capital Corp (or one of its affiliates), as lessor, (the “*Lessor*”), the form of which has been presented to the governing body of the Lessee at this meeting; and

WHEREAS, the governing body of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Agreement and the other documentation relating to the refinancing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:

*Section 1. Findings and Determinations.* It is hereby found and determined that the terms of the Agreement, in the form presented to the governing body of Lessee at this meeting, are in the best interests of the Lessee for the refinancing and leasing of the Equipment.

*Section 2. Approval of Documents.* The form, terms and provisions of the Agreement are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by the First Selectman and/or the Director of

Finance of the Lessee or other members of the governing body of the Lessee executing the same, the execution of such documents being conclusive evidence of such approval; and the Director of Finance of the Lessee is hereby authorized and directed to execute, and the Town Clerk of the Lessee is hereby authorized and directed to attest, the Agreement and any related Exhibits attached thereto and to deliver the Agreement (including such Exhibits) to the respective parties thereto, and the Town Clerk of the Lessee is hereby authorized to affix the seal of the Lessee to such documents.

*Section 3. Other Actions Authorized.* The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Agreement to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of a tax certificate and agreement, as contemplated in the Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Agreement.

*Section 4. No General Liability.* Nothing contained in this Resolution, the Agreement nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under the Agreement are limited obligations of the Lessee, subject to annual appropriation, as provided in the Agreement.

*Section 5. Appointment of Authorized Lessee Representatives.* The First Selectman and the Director of Finance of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of the Agreement until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Agreement.

*Section 6. Severability.* If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

*Section 7. Repealer.* All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

*Section 8. Effective Date.* This Resolution shall be effective immediately upon the posting of this approval on the website of the Town of Trumbull. This Resolution shall be effective immediately upon its publication (emergency legislation).

RESOLUTION TC28-82:

**AS AMENDED BY BOARD OF FINANCE**

**RESOLUTION APPROPRIATING \$7,332,000 FOR THE TRUMBULL (TOWN) CAPITAL IMPROVEMENT PLAN 2020-2021 AND AUTHORIZING THE ISSUE OF \$7,332,000 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 \$7,332,000 is appropriated for the planning, acquisition and construction of the various projects comprising the Trumbull (Town) Capital Improvement Plan 2020-2021, as adopted and amended by the Town Council from time to time, and consisting of: (i) roadways; (ii) Public Facilities including Town Hall, Public Works Yard, EMS Building, Senior Center, (iii) Park improvements, (iv) Fleet and Equipment; (v) other projects, including economic development and various road and drainage improvements and engineering; and including 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 among authorized projects within the 2020-2021 Town CIP, and the First Selectman's office may transfer among projects amounts not exceeding 10% of the CIP funding by purpose as last approved by the Town Council.

Section 2. To meet said appropriation \$7,332,000 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, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. Capital project revenues, including bid premiums and investment income derived from investment of bond proceeds (and net investment income derived from note proceeds) are authorized to be credited by the Director of Finance to the project account and expended to pay project expenses customarily paid therefrom. The remaining appropriation and bond authorization shall be reduced by the amount of capital project revenues so credited. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, or, be combined with other bonds of the Town and such combined issue shall be in the denomination per aggregate maturity of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the Town by the manual or facsimile signatures of the Town Officials, bear the Town seal or a facsimile thereof, be certified by a bank or trust company designated by the Town Officials, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Town

Officials, and be approved as to their legality by Joseph Fasi LLC, Attorneys-at-law, Bond Counsel of Hartford. They shall bear such rate or rates of interest as shall be determined by the Town Officials. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, 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 her 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 TC28-84:

Whereas, the State of Connecticut Department of Revenue Services (DRS) offers funding to tax exempt organizations in the form of tax credits; and

Whereas, tax credits are given to eligible corporations who contribute funding to support specific programs and services of the tax exempt organizations; and

Whereas, programs supporting job training, low income residents, senior residents, residents with disabilities, child care services, or open space acquisition offer a 60 percent credit and energy conservation programs offer a 100% credit; and

Whereas, the 2020 application will include Connecticut Radio Information System (\$5,000), the Kennedy Center (\$150,000) and Make-a-Wish Foundation of CT (\$150,000); and

Whereas, the town of Trumbull serves as the applicant and liaison to the Department of Revenue Services on behalf of the tax exempt organizations.

Now, therefore, be it resolved by the Town Council:

1. That it is cognizant of the application to the State Department of Revenue Services for the Neighborhood Assistance Act program; and,
2. That Vicki A. Tesoro, or her designee, is authorized to submit such application and sign all related forms, contracts, and reports in order to implement the Neighborhood Assistance Act program.