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**Town Council
Special Meeting
Minutes**

East Haven Town Council held a Special Meeting Tuesday, June 9, 2020, which commenced at 7:00 p.m. via Zoom in order to transact the following:

Vice Chairman Pacelli called the meeting to order at 7:19 p.m. and read the zoom process. Staff present: Joseph Carfora Mayor and Jim Keeley Interim Finance Director, Jennifer Coppola Assistant Town Attorney, and Marie Phelan Bond Counsel.

Mayor Joseph Carfora requested a moment of silence in memory of former Mayor Henry Luzzi.

Item #1

Vice Chairman Pacelli requested roll call.

11 Present 3 Absent (Ruggiero, Pompano, Deko, and Maltese)

Item #2

Vice Chairman Pacelli asked the clerk to read the resolution in its entirety as follows:

TO CONSIDER AND ACT UPON A RESOLUTION AUTHORIZATION TO ISSUE REFUNDING BONDS IN THE MAXIMUM AMOUNT OF \$9,750,000 TO REFUND CERTAIN OF THE TOWN'S OUTSTANDING BONDS AND AUTHORIZING THE APPROPRIATION OF THE PROCEEDS OF SUCH REFUNDING BONDS.

RESOLVED, that the Town Council of the Town of East Haven (the "Town") hereby approves the following Resolution:

(i) that the Town is hereby authorized to issue its refunding bonds, in an amount not to exceed NINE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$9,750,000) (the "Refunding Bonds"), to fund the appropriation authorized by section (ii) of this resolution. The Refunding Bonds shall be issued pursuant to Section 7-370c of the Connecticut General Statutes, as amended, and any other enabling acts. The Refunding Bonds shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town and may be issued in one or more series; and

(ii) that the Town appropriate the proceeds of the Refunding Bonds to fund the redemption and the payment, in whole or in part, as determined by the Mayor and the Director of Finance of the Town, of the outstanding principal, accrued interest and any call premium on all or any portion of any issue of the Town's General Obligation Bonds including, but not limited to, the Town's General Obligation Bonds, Series A and General Obligation Refunding Bonds, Series B both issued on August 3, 2010 as well as the Town's General Obligation Bonds issued in 2011, 2013, 2014, 2016, 2018 and 2019 (the "Prior Bonds"), together with the costs of issuance including but not limited to, any applicable consultants' fees, legal fees, trustee's and escrow agent fees, investment fees, verification fees, credit enhancement fees, underwriters' fees, bond insurance premiums, net temporary interest and other financing or transactional costs, and other expenses related to the payment or redemption of such bonds for the purposes of refunding them; and

(iii) that the Mayor and the Treasurer shall sign the Refunding Bonds by either manual or facsimile signatures and that the law firm of Pullman & Comley, LLC is designated as bond counsel to approve the legality of the Refunding Bonds; and

(iv) that the Mayor and the Director of Finance are authorized to determine which of the Prior Bonds are to be redeemed and the amount, date, interest rates and interest mode maturities, redemption provisions, form and other details of the Refunding Bonds; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the Refunding Bonds and escrow agent with respect to the refunding escrow or escrows to be funded with proceeds of the Refunding Bonds; to provide for the keeping of a record of the Refunding Bonds; to sell the Refunding Bonds at public or private sale; to deliver the Refunding Bonds; and to perform all other acts which are necessary or appropriate to issue the Refunding Bonds; and

(v) that the Mayor and the Director of Finance are authorized to call irrevocably for redemption such of the maturities of the Prior Bonds, as they shall determine to refund from the proceeds of the Refunding Bonds and other moneys as they may determine to make available for this purpose and to defease such Prior Bonds by executing and delivering an escrow agreement in such form and upon such terms as they shall approve, such approval to be conclusively evidenced by their execution thereof; and

(vi) that the Mayor, the Director of Finance and the Treasurer 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 any series of the Refunding Bonds authorized by this resolution, including covenants to pay rebates of investment earnings to the United States in future years and should any series of Refunding Bonds be issued as bonds with the interest payable thereon includable in gross income of the owners thereof, such bonds and any bonds issued in the same series of such Refunding Bonds are deemed to be issued in the public interest ; and

(vii) that the Mayor and the Director of Finance, or either of them, are authorized to make representations and enter into written agreements for the benefit of holders of the Refunding Bonds to provide secondary market disclosure information, which agreements may include such terms as he deems advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such Refunding Bonds; and

(viii) that the Mayor, the Treasurer and the Director of Finance, or any one of them, are authorized to take all other action which is necessary or desirable to enable the Town to effectuate the refunding of all or a portion of the Prior Bonds and to issue Refunding Bonds authorized hereby for such purposes, including, but not limited to, the entrance into agreements on behalf of the Town with underwriters, trustees, escrow agents, bond insurers, and others to facilitate the issuance of the Refunding Bonds, the escrow of the proceeds thereof and investment earnings thereon and the payment of the Prior Bonds in whole or in part; and

(ix) that the Mayor and the Director of Finance, or either of them, are hereby authorized if they determine it is in the Town's best interest, to acquire, on behalf of the Town, bond insurance or other forms of credit enhancement guaranteeing the Refunding Bonds on such terms as the Mayor or the Director of Finance, as the case may be, determines to be appropriate, such terms to include, but not be limited to, those relating to fees, premiums and other costs and expenses incurred in connection with such credit enhancement, the terms of payment of such expenses and costs and such other undertakings as the issuer of the credit enhancement shall require; and the Mayor or the Director of Finance, as the case may be, are authorized, on the Town's behalf, to grant security to the issuer of the credit enhancement to secure the Town's obligations arising under the credit enhancement, including the establishment of a reserve from the proceeds of the Refunding Bonds; and

(x) that the Mayor and the Director of Finance are hereby authorized in connection with the issuance of the Refunding Bonds to execute and deliver on behalf of the Town such reimbursement agreements, remarketing agreements, standby bond purchase agreements, interest rate swap agreements, and any other appropriate agreements the Mayor and the Director of Finance deem necessary, appropriate or desirable and the Mayor and the Director of Finance are hereby authorized on behalf of the Town to secure the payment of such agreements with the full faith and credit of the Town, if they deem it necessary, appropriate or desirable.

Vice Chairman Pacelli recognized Attorney Phelan, bond counsel for the town who explained the process in layman's terms as described in the resolution.

Vice Chairman Pacelli recognized Jim Keeley, Interim Finance Director who explained that the resolution is per Connecticut General Statute and the Charter provisions of the town by a vote of the legislative council to a maximum amount of \$9,750,000. This resolution authorizes the Mayor and the Finance Director to sell or refinance Refunding Bonds. These bonds are the result of authorizing capital improvements through the years. By selling off the bonds it will smooth out the debts. To explain this simply it's like refinancing your house at a better rate and now is a good time to do this.

Councilman Balter stated this is more of a refinancing loan at a lower interest rate to spread over more years, pay a little less with better liquidity.

Jim Keeley affirmed what Councilman Balter stated.

Councilwoman Cesare asked how much we would save over 25 years.

Jim Keeley explained that it won't save money but will cost an additional \$85,000, but it will do is create much more flexibility financially. Going forward we will not be bonding for projects in the amount of \$12,000, as was done in the past.

Councilwoman Hennessey stated that she hopes that those smaller items are paid down first.

Jim Keeley explained that we will be paying all one balance. It is our hope to free up some money for other projects needed.

Councilwoman Hennessey stated that the Mayor did discuss the capital improvements at the budget workshop meetings, hopefully we will receive those projects at our next meeting.

Councilwoman Parlato (inaudible.) She asked if the council ever received the debt service report.

Vice Chairman Pacelli indicated that it was part of the budget information.

Councilwoman Cesare moved to adopt the resolution.

Councilman Balter second the motion.

Roll call vote.-All in favor. None opposed. No abstentions.

Motion carried. Approved

Vice Chairman Pacelli thanked everyone and entertained a motion to adjourn.

Councilwoman Cesare moved to adjourn.

Councilman Santino second the motion.

Voice vote-All in favor. None opposed. No abstentions.

Meeting adjourned at 7:57 p.m.

Respectfully submitted,

Roberta A. DeLuca
Council Clerk