Call of the Meeting

The meeting was called to order at 5:37pm by Mayor Mark A. Lauretti.

Members of the Board of Aldermen Present:

President John F. Anglace
Alderman Stanley Kudej
Alderman John “Jack” Finn
Alderman Eric McPherson
Alderman Lynne S. Farrell

Others Present:

Mayor Mark A. Lauretti
Thomas Welch, City Counsel

Pledge of Allegiance

All present stood and said the Pledge of Allegiance.
Agenda Items

1-End of Fiscal Year Financial Transactions

A motion was made by President Anglace to increase the Fiscal Year ending June 30, 2013 Budget as follows:

**Increase the Budget**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>001-2400-512.10-02</td>
<td>Fire – Part Time Employees</td>
<td>38,000.00</td>
</tr>
<tr>
<td>001-3200-712.10.01</td>
<td>Highways &amp; Bridges – Reg. Payroll</td>
<td>133,500.00</td>
</tr>
<tr>
<td>001-3200-712.10-02</td>
<td>Highways &amp; Bridges – Part Time</td>
<td>36,500.00</td>
</tr>
<tr>
<td>001-3200-712.10-07</td>
<td>Highways &amp; Bridges – Overtime</td>
<td>93,500.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>301,500.00</strong></td>
</tr>
</tbody>
</table>

**Decrease the Budget**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>001-0200-411.80.52</td>
<td>Increments</td>
<td>75,000.00</td>
</tr>
<tr>
<td>001-9900-900.99-00</td>
<td>Contingency</td>
<td>135,000.00</td>
</tr>
<tr>
<td>001-0200-411.20-08</td>
<td>Group Insurance</td>
<td>91,500.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>301,500.00</strong></td>
</tr>
</tbody>
</table>

It was noted that payroll was high because of the fall and winter storms and the retroactive payroll money that had to be paid after final contract approval.

Alderman Stanley Kudej seconded the motion. All were in favor.
2- INTRA-DEPARTMENT TRANSFERS FOR FISCAL YEAR ENDING

JUNE 30, 2013

President Anglance made a motion to make the following Intra-Departmental Transfers for Fiscal Year Ending June 30, 2013. These transfers are to come from the Capital Projects Fund:
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>001-0100-411.11-05</td>
<td>Admin. Off. – Meeting, Travel</td>
<td>27.00</td>
</tr>
<tr>
<td>001-0300-412.10-01</td>
<td>Legislative – Regular Payroll</td>
<td>300.00</td>
</tr>
<tr>
<td>001-0500-413.10-02</td>
<td>Elections – Part Time</td>
<td>3,200.00</td>
</tr>
<tr>
<td>001-0600-414.10-02</td>
<td>Inland Wetlands – Part Time</td>
<td>2,000.00</td>
</tr>
<tr>
<td>001-0900-414.10-01</td>
<td>Plan. &amp; Zoning – Reg. Payroll</td>
<td>1,600.00</td>
</tr>
<tr>
<td>001-1000-622.10-02</td>
<td>Recreation – Part Time</td>
<td>11,500.00</td>
</tr>
<tr>
<td>001-1300-414.10-01</td>
<td>Conservation – Reg. Payroll</td>
<td>5,000.00</td>
</tr>
<tr>
<td>001-1300-414.40-09</td>
<td>Conservation – Prog. Supplies</td>
<td>1.00</td>
</tr>
<tr>
<td>001-1400-415.60-07</td>
<td>City Clerk – Records Preserv.</td>
<td>497.00</td>
</tr>
<tr>
<td>001-2100-513.01-09</td>
<td>EMS Comm. – C-Med Comm</td>
<td>1,211.00</td>
</tr>
<tr>
<td>001-2300-510.10-01</td>
<td>Animal Cont. – Reg. Payroll</td>
<td>1,600.00</td>
</tr>
<tr>
<td>001-2400-512.10-08</td>
<td>Fire – Overtime Pay</td>
<td>2,500.00</td>
</tr>
<tr>
<td>001-2500-511.10-02</td>
<td>Police – Part Time</td>
<td>5,000.00</td>
</tr>
<tr>
<td>001-2500-511.11-10</td>
<td>Police – Prof. Court Acct.</td>
<td>420.00</td>
</tr>
<tr>
<td>001-2700-624.10-01</td>
<td>Youth Serv. – Reg. Payroll</td>
<td>1,600.00</td>
</tr>
<tr>
<td>001-3100-713.50-05</td>
<td>Building – Dues &amp; Subscr.</td>
<td>1.00</td>
</tr>
<tr>
<td>001-3200-712.40-35</td>
<td>Hwys. &amp; Bridges – Tires Hwy.</td>
<td>2,679.00</td>
</tr>
<tr>
<td>001-3900-714.10-02</td>
<td>Sanitation – Part Time</td>
<td>8,600.00</td>
</tr>
<tr>
<td>001-4400-621.10-02</td>
<td>Library – Part Time</td>
<td>1,500.00</td>
</tr>
<tr>
<td>001-4800-716.40-23</td>
<td>Mun. Prop. Mgt. – Clothing</td>
<td>29.00</td>
</tr>
<tr>
<td>001-5300-412.10-02</td>
<td>Assessor – Part Time</td>
<td>900.00</td>
</tr>
<tr>
<td>001-5600-412.30-20</td>
<td>Pub. Risk Mgt. – Mun. Ins.</td>
<td>10,908.00</td>
</tr>
<tr>
<td>001-6100-419.79-18</td>
<td>Misc. – Citizens Adv. Bd.</td>
<td>250.00</td>
</tr>
<tr>
<td>001-6100-419.80-45</td>
<td>Misc. – Misc. refunds</td>
<td>7,386.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>68,709.00</strong></td>
</tr>
</tbody>
</table>
There was discussion as to why the Board of Aldermen was addressing this issue. It was noted that A&T had not acted and the BOA, as the fiscal authority is taking the necessary actions. A & T should be handling this in the future.

Alderman McPherson seconded the motion. All were in favor.

3- ADOPTION OF BOND RESOLUTION

President Anglace made a motion to adopt the following resolution which shall be included in full in the minutes of the meeting:
RESOLUTION AUTHORIZING THE ISSUANCE OF $2,311,111
BONDS OF THE CITY OF SHELTON FOR VARIOUS PUBLIC
IMPROVEMENTS AND EQUIPMENT AND PENDING THE
ISSUANCE THEREOF THE MAKING OF TEMPORARY
BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. To meet the appropriations aggregating $2,311,111 for various public
improvements and equipment enacted at various meetings held by the Board of Aldermen (Schedule A
attached), $2,311,111 bonds of the City of Shelton may be issued, maturing in substantially equal annual
installments not later than the fifth year after their date. Said bonds may be issued in one or more series as
determined by the Treasurer and the Director of Finance and the amount of bonds of each series to be issued
shall be fixed by the Treasurer and the Director of Finance, 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 costs
of issuance of such bonds. The bonds shall be in the denomination of $1,000 or a whole multiple thereof,
be issued in fully registered form, be executed in the name and on behalf of the City by the facsimile or manual
signatures of the Treasurer and the Director of Finance, bear the City seal or a facsimile thereof, be certified
by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent,
be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP,
Attorneys-at-Law, of Hartford, Connecticut. The bonds shall be general obligations of the City 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, and that the full faith and credit of the City
are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount
of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the
certifying, registrar and transfer agent, and the paying agent, the date, time of issue and sale and other terms,
details and particulars of such bonds, including the approval of the rate or rates of interest, shall be
determined by the Treasurer and Director of Finance in accordance with General Statutes of Connecticut, as
amended (the “Connecticut General Statutes”).

Section 2. Said bonds shall be sold by the Treasurer in a competitive offering or by
negotiation, in the Treasurer's discretion. If sold in a competitive offering, the bonds shall be sold upon
sealed proposals at not less than par and accrued interest on the basis of the lowest net or true interest cost to
the City. 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, provisions of the purchase agreement shall be subject
to the approval of the Mayor, Treasurer and Director of Finance.

Section 3. The Treasurer and Director of Finance are authorized to make temporary
borrowings in anticipation of the receipt of the proceeds of any series of said bonds. Notes evidencing such
borrowings shall be signed by the Treasurer and the Director of Finance, have the seal of the City affixed,
be certified and payable at a bank or trust company designated by the Treasurer, pursuant to Section 7-373
of the Connecticut General Statutes, and be approved as to their legality by Robinson & Cole LLP,
Attorneys-at-Law, of Hartford, Connecticut. They shall be issued with maturity dates which comply with
the provisions of the Connecticut 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 City 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, and that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon. 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 such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 4. The balance of any unexpended bond proceeds not needed to meet the cost of any improvement or equipment included on Schedule A, may be transferred by the Mayor and Director of Finance, to meet the cost of any other improvement or equipment included on Schedule A.

Section 5. The City 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 anytime after the date of passage of this Resolution in the maximum amount of and for the improvement or project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Tax Exempt Obligations") authorized to be issued by the City. The Tax Exempt Obligations 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 City 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 Tax Exempt Obligations.

Section 6. The Mayor, Treasurer and Director of Finance, or any two of them, are hereby authorized, on behalf of the City, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to Municipal Securities Rulemaking Board (the “MSRB”) and to provide notices to the MSRB 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. Any agreements or representations to provide information to MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 7. This Resolution is adopted pursuant to the provisions of Section 7.16 of the City Charter and is within the limitations set forth therein for the fiscal year ended June 30, 2013.

Enacted by the Board of Aldermen:

Approved by the Mayor: ___________________________ Date

Attest:

________________________________________
City Clerk

Date ___________________________
# SCHEDULE A

City of Shelton
5yr Capital Project Appropriations made pursuant to Charter Section 7.16
2012/2013 Budget $115,555,564 2%=$2,311,111

<table>
<thead>
<tr>
<th>Project</th>
<th>Date Appropriation made by BOA</th>
<th>Amount of Appropriation</th>
<th>Remaining 2% Balance $2,311,111</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Shelton High School Chiller</td>
<td>9/13/2012</td>
<td>$572,330</td>
<td>$1,738,781</td>
</tr>
<tr>
<td>2 Shelton High School Baseball Field</td>
<td>9/13/2012</td>
<td>$23,630</td>
<td>$1,715,151</td>
</tr>
<tr>
<td>3 Purchase of Promethean Boards</td>
<td>11/8/2012</td>
<td>$199,975</td>
<td>$1,515,176</td>
</tr>
<tr>
<td>4 Cel-Iastik Site Remediation</td>
<td>12/13/2012</td>
<td>$38,000</td>
<td>$1,477,176</td>
</tr>
<tr>
<td>5 Board of Education Vehicles</td>
<td>12/13/2012</td>
<td>$40,462</td>
<td>$1,436,714</td>
</tr>
<tr>
<td>6 Dikovsky Property Purchase</td>
<td>1/10/2013</td>
<td>$152,500</td>
<td>$1,284,214</td>
</tr>
<tr>
<td>7 Open Space Purchase</td>
<td>1/10/2013</td>
<td>$5,000</td>
<td>$1,279,214</td>
</tr>
<tr>
<td>Purchase of Utility Truck Body for Maintenance Dept. Vehicle 67</td>
<td>2/14/2013</td>
<td>$5,921</td>
<td>$1,273,293</td>
</tr>
<tr>
<td>9 Yutaka Dr. Water Main Ext.</td>
<td>2/14/2013</td>
<td>$25,000</td>
<td>$1,248,293</td>
</tr>
<tr>
<td>10 Three Vehicles for Building Maintenance Dept.</td>
<td>4/11/2013</td>
<td>$80,000</td>
<td>$1,168,293</td>
</tr>
<tr>
<td>11 New SCBA Compressor for Echo Hose Fire Station</td>
<td>4/11/2013</td>
<td>$56,000</td>
<td>$1,112,293</td>
</tr>
<tr>
<td>12 Structural Firefighting Gear</td>
<td>4/11/2013</td>
<td>$150,000</td>
<td>$962,293</td>
</tr>
<tr>
<td>13 Vehicles for Public Works Dept.</td>
<td>4/11/2013</td>
<td>$380,000</td>
<td>$582,293</td>
</tr>
<tr>
<td>14 Booth Hill School Parking Lot Ren.</td>
<td>5/9/2013</td>
<td>$30,000</td>
<td>$552,293</td>
</tr>
<tr>
<td>15 High School Code Compliance</td>
<td>6/13/2013</td>
<td>$100,000</td>
<td>$452,293</td>
</tr>
<tr>
<td>16 Phase III Riverwalk Extension</td>
<td>6/27/2013</td>
<td>$127,293</td>
<td>$325,000</td>
</tr>
<tr>
<td>17 Replacement of City-wide Telephone System</td>
<td>6/27/2013</td>
<td>$100,000</td>
<td>$225,000</td>
</tr>
<tr>
<td>18 Police Vehicles</td>
<td>6/27/2013</td>
<td>$125,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>19 Replacement of City-wide Vehicles</td>
<td>6/27/2013</td>
<td>$100,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

**TOTAL**                                         |                                |                         | **$0**                          |
Alderman Finn seconded the motion. All were in favor.

4. 2013 NEIGHBORHOOD ASSISTANCE TAX CREDIT

President Anglace made a motion to approve the three proposals for the Neighborhood Assistance Tax Credit Program as submitted by the Community Development Director. Alderman Kudej seconded the motion. All were in favor.

- Shelton Economic Development Corporation $15,000
- Boys & Girls Club of Lower Naugatuck Valley $50,000
- Junior Achievement of Western Connecticut, Inc. $25,000

Memorandum

To: Theresa Adcox/Jane Dowty
From: Charlene DeFilippo
Date: June 6, 2012
Re: B.O.A. Agenda

The attached item, regarding the request for approval of five Neighborhood Assistance Tax Credit proposals, needs to be included in the June 13th Full Board of Aldermen meeting.

It is also necessary that the secretary for this meeting provides me with certified minutes containing the portions of the meeting containing the approval of this item.

Please contact me at Ext. 374 with any questions regarding this request.
Memorandum

To: Board of Aldermen

From: Charlene DeFilippo,
      Community Development Director

Date: June 5, 2012

Re: 2013 Neighborhood Assistance Tax Credit Program

Again, it is time for the annual round of the Neighborhood Assistance Tax Credit Program. This program, which is administered by the State of CT Department of Revenue Services, provides tax credits of 50% to participating corporations for making contributions to eligible community programs. These programs may include job training, legal aid, education, crime prevention, day care, and programs servicing the elderly, handicapped, or disadvantaged.

The Community Development Office advertised a description of this program, as well as a public hearing date, in the May 22, 2013 edition of the CT Post and posted a bulletin with said information at the Plumbe Memorial Library, Shelton Community Center, and Shelton City Hall.

The Community Development Office held a public hearing to accept proposals from local non-profit organizations on June 5, 2013. The following proposals were received, and with your authorization, will be submitted to the State of CT Department of Revenue Services:

1. Shelton Economic Development Corporation
   Program Title: Community Service
   Requesting: $15,000 in Neighborhood Assistance Funding

2. Boys & Girls Club of the Lower Naugatuck Valley
   Program Title: Homework Assistance
   Requesting $50,000 in Neighborhood Assistance Funding

3. Junior Achievement of Western Connecticut, Inc.
   Program Title: Financial Literacy Programs for Shelton School students
   Requesting $25,000 in Neighborhood Assistance Funding

Please feel free to contact me at Ext. 374 should you have any comments or questions regarding this program.
5- APPROVAL OF CONTRACT FOR FIRE VEHICLE PURCHASE

A motion was made by President Anglace to approve the contract by and between the City of Shelton and Pierce Manufacturing for the purchase of one (1) Velocity Rescue Vehicle and one (1) Pumper for the sum of $1,669,829.00 with funding to come from the Fire Apparatus Bonds. The motion was seconded by Alderman McPherson. All were in favor. Further, President Anglace moved to approve the contract by and between the City of Shelton and Kovatch Mobile Equipment Corp. for the purchase of two (2) Quints for the sum of $1,841,006.00 with funding to come from the Fire Apparatus Bonds. The motion was seconded by Alderman McPherson. All were in favor.
June 4, 2013

To: John F. Anglace Jr., President
    Board of Alderman

From: Michael A. Maglione, Chairman
      Board of Fire Commissioners

Subject: Agenda Item

The Board of Fire Commissioners requests that the following item be sent to the proper committee and then placed on the aldermanic agenda:

A motion to approve the contracts for the purchase of four fire apparatus and authorize Mayor, Mark A. Lauretti to sign such documents.

Pierce Manufacturing Inc.
Type of Apparatus                      Cost
(1) Velocity Rescue Vehicle          $ 767,937.00
(1) Rescue Pumper                   $ 901,892.00
                                         $ 1,669,829.00

KME - Kovatch Mobile Equipment Corp.
Type of Apparatus
(2) Quints - a quint is an apparatus that consists of an aerial device (79 foot ladder), Pump, Water Tank, Supply Hose and Portable Ground Ladders.

Cost
                                         $ 1,814,314.00
Total Cost                                $ 3,484,143.00

Please contact me with any questions.
This Purchase Agreement (together with all attachments referenced herein, the "Agreement"), made and entered into by and between Pierce Manufacturing Inc., a Wisconsin corporation ("Pierce"), and City of Shelton, CT, a Municipal ("Customer") is effective as of the date specified in Section 3 hereof.

1. Definitions.
   a. “Product” means the fire apparatus and any associated equipment manufactured or furnished for the Customer by Pierce pursuant to the Specifications.
   b. “Specifications” means the general specifications, technical specifications, training, and testing requirements for the Product contained in the Pierce Proposal for the Product prepared in response to the Customer’s request for proposal.
   c. “Pierce Proposal” means the proposal provided by Pierce attached as Exhibit C prepared in response to the Customer’s request for proposal.
   d. “Delivery” means the date Pierce is prepared to make physical possession of the Product available to the Customer.
   e. “Acceptance” The Customer shall have fifteen (15) calendar days of Delivery to inspect the Product for substantial conformance with the material Specifications; unless Pierce receives a Notice of Defect within fifteen (15) calendar days of Delivery, the Product will be deemed to be in conformance with the Specifications and accepted by the Customer.

2. Purpose. This Agreement sets forth the terms and conditions of Pierce’s sale of the Product to the Customer.

3. Term of Agreement. This Agreement will become effective on the date it is signed and approved by Pierce’s authorized representative pursuant to Section 22 hereof ("Effective Date") and, unless earlier terminated pursuant to the terms of this Agreement, it will terminate upon the Customer’s Acceptance and payment in full of the Purchase Price.

4. Purchase and Payment. The Customer agrees to purchase the Product specified on Exhibit A for the total purchase price of $1,814,879.00 ("Purchase Price"). Prices are in U.S. funds.

5. Future Changes. Various state or federal regulatory agencies (e.g. NFPA, DOT, EPA) may require changes to the Specifications and/or the Product and in any such event any resulting cost increases incurred to comply therewith will be added to the Purchase Price to be paid by the Customer. In addition, any future drive train upgrades (engine, transmission, axles, etc.), or any other specification changes have not been calculated into our annual increases and will be provided at additional cost. To the extent practicable, Pierce will document and itemize any such price increases for the Customer.

6. Agreement Changes. The Customer may request that Pierce incorporate a change to the Products or the Specifications for the Products by delivering a change order to Pierce; provided, however, that any such change order must be in writing and include a description of the proposed change sufficient to permit Pierce to evaluate the feasibility of such change ("Change Order"). Within [seven (7) business days] of receipt of a Change Order, Pierce will inform the Customer in writing of the feasibility of the Change Order, the earliest possible implementation date for the Change Order, any increase or decrease in the Purchase Price resulting from such Change Order, and of any effect on production scheduling or Delivery resulting from such Change Order. Pierce shall not be liable to the Customer for any delay in performance or Delivery arising from any such Change Order. A Change Order is only effective when counter-signed by Pierce’s authorized representative.

7. Cancellation/Termination. In the event this Agreement is cancelled or terminated by a party before completion, Pierce may charge a cancellation fee. The following charge schedule based on costs incurred may be applied: (a) 10% of the Purchase Price after order is accepted and entered by Pierce; (b) 20% of the Purchase Price after completion of approval drawings; and; (c) 30% of the Purchase Price upon any material requisition. The cancellation fee will increase accordingly as costs are incurred as the order progresses through engineering and into manufacturing. Pierce endeavors to mitigate any such costs through the sale of such Product to another purchaser; however Customer shall remain liable for the difference between the Purchase Price and, if applicable, the sale price obtained by Pierce upon sale of the Product to another purchaser, plus any costs incurred by Pierce to conduct any such sale.

8. Delivery, Inspection and Acceptance. (a) Delivery. Delivery of the Product is scheduled to be within 9 months of the Effective Date of this Agreement, F.O.B. Pierce’s plant, Appleton, Wisconsin. Risk of loss shall pass to Customer upon Delivery. (b) Inspection and Acceptance. Upon Delivery, Customer shall have fifteen (15) days within which to inspect the Product for substantial conformance to the material Specifications, and in the event of substantial non-conformance to the Specifications, Customer shall have thirty (30) days to notify Pierce thereof in writing.
material Specifications to furnish Pierce with written notice sufficient to permit Pierce to evaluate such non-conformance ("Notice of Defect"). Any Product not in substantial conformance to material Specifications shall be remedied by Pierce within thirty (30) days from the Notice of Defect. In the event Pierce does not receive a Notice of Defect within fifteen (15) days of Delivery, Product will be deemed to be in conformance with Specifications and Accepted by Customer.

9. Notice. Any required or permitted notices hereunder must be given in writing at the address of each party set forth below, or to such other address as either party may substitute by written notice to the other in the manner contemplated herein, by one of the following methods: hand delivery, registered, express, or certified mail, return receipt requested, postage prepaid; or nationally-recognized private express courier:

Pierce Manufacturing, Inc.
Director of Order Management
2600 American Drive
Appleton WI 54912
Fax (920) 832-3080

Customer
City of Shelton, CT
54 Hill Street
Shelton, CT 06484

10. Standard Warranty. Any applicable Pierce warranties are attached hereto as Exhibit B and made a part hereof. Any additional warranties must be expressly approved in writing by Pierce's authorized representative.

a. Disclaimer. OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PIERCE, ITS PARENT COMPANY, AFFILIATES, SUBSIDIARIES, LICENSORS OR SUPPLIERS, THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR REPRESENTATIVES, MAKE ANY EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS PROVIDED HEREUNDER OR OTHERWISE REGARDING THIS AGREEMENT, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED OR STATUTORY. WITHOUT LIMITING THE FOREGOING, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY, THE IMPLIED WARRANTY AGAINST INFRINGEMENT, AND THE IMPLIED WARRANTY OR CONDITION OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED AND DISCLAIMED. STATEMENTS MADE BY SALES REPRESENTATIVES OR IN PROMOTIONAL MATERIALS DO NOT CONSTITUTE WARRANTIES.

b. Exclusions of Incidental and Consequential Damages. In no event shall Pierce be liable for consequential, incidental or punitive damages incurred by Customer or any third party in connection with any matter arising out of or relating to this Agreement, or the breach thereof, regardless of whether such damages arise out of breach of warranty, tort, contract, strict liability, statutory liability, indemnity, whether resulting from non-delivery or from Pierce's own negligence, or otherwise.

11. Insurance. Pierce maintains the following limits of insurance with a carrier(s) rated A- or better by A.M. Best:

**Commercial General Liability Insurance:**
- Products/Completed Operations Aggregate: $1,000,000
- Each Occurrence: $1,000,000

**Umbrella/Excess Liability Insurance:**
- Aggregate: $25,000,000
- Each Occurrence: $25,000,000

The Customer may request: (x) Pierce to provide the Customer with a copy of a current Certificate of Insurance with the coverages listed above; (y) to be included as an additional insured for Commercial General Liability (subject to the terms and conditions of the applicable Pierce insurance policy); and (z) all policies to provide a 30 day notice of cancellation to the named insured.

12. Indemnity. The Customer shall indemnify, defend and hold harmless Pierce, its officers, employees, dealers, agents or subcontractors, from any and all claims, costs, judgments, liability, loss, damage, attorneys' fees or expenses of any kind or nature whatsoever (including, but without limitation, personal injury and death) to all property and persons caused by, resulting from, arising out of or occurring in connection with the Customer's purchase, installation or use of goods sold or supplied by Pierce which are not caused by the sole negligence of Pierce.

13. Force Majeure. Pierce shall not be responsible nor deemed to be in default on account of delays in performance due to causes which are beyond Pierce’s control which make Pierce’s performance impracticable, including but not limited to civil wars, insurrections, strikes, riots, fires, storms, floods, other acts of nature, explosions, earthquakes, accidents, any act of government, delays in transportation, inability to obtain necessary labor supplies or manufacturing facilities, allocation QSD 1398 2 Revised: 09/10/2010
14. **Default.** The occurrence of one or more of the following shall constitute a default under this Agreement: (a) the Customer fails to pay when due any amounts under this Agreement or to perform any of its obligations under this Agreement; (b) Pierce fails to perform any of its obligations under this Agreement; (c) either party becomes insolvent or become subject to a bankruptcy or insolvency proceedings; (d) any representation made by either party to induce the other to enter into this Agreement is false in any material respect; (e) the Customer dissolves, merges, consolidates or transfers a substantial portion of its property to another entity; or (f) the Customer is in default or has breached any other contract or agreement with Pierce.

15. **Manufacturer’s Statement of Origin.** It is agreed that the manufacturer’s statement of origin (“MSO”) for the Product covered by this Agreement shall remain in the possession of Pierce until the entire Purchase Price has been paid. If more than one Product is covered by this Agreement, then the MSO for each individual Product shall remain in the possession of Pierce until the Purchase Price for that Product has been paid in full. In case of any default in payment, Pierce may take full possession of the Product, and any payments that have been made shall be applied as payment for the use of the Product up to the date of taking possession.

16. **Independent Contractors.** The relationship of the parties established under this Agreement is that of independent contractors and neither party is a partner, employee, agent, or joint venturer of or with the other.

17. **Assignment.** Neither party may assign its rights and obligations under this Agreement unless it has obtained the prior written approval of the other party.

18. **Governing Law; Jurisdiction.** Without regard to any conflict of laws provisions, this Agreement is to be governed by and under the laws of the state of Connecticut.

19. **Facsimile Signatures.** The delivery of signatures to this Agreement by facsimile transmission shall be binding as original signatures.

20. **Entire Agreement.** This Agreement shall be the exclusive agreement between the parties for the Product. Additional or different terms proposed by the Customer shall not be applicable, unless accepted in writing by Pierce’s authorized representative. No change in, modification of, or revision of this Agreement shall be valid unless in writing and signed by Pierce’s authorized representative.

21. **Conflict.** In the event of a conflict between the Customer Specifications and the Pierce Proposal, the Pierce Proposal shall control. In the event there is a conflict between the Pierce Proposal and this Agreement, the Pierce Proposal shall control.

22. **Signatures.** This Agreement is not effective unless and until it is approved, signed and dated by Pierce Manufacturing, Inc.’s authorized representative.

Accepted and agreed to:

PIERCe MANUFACTURING, INC.  

Name: _____________________________  
Title: _______________________________  
Date: _______________________________

Customer: City of Shelton, CT  
Name: _____________________________  
Title: _______________________________  
Date: _______________________________
EXHIBIT A

PURCHASE DETAIL FORM
Pierce Manufacturing, Inc.
Director of Order Management
2600 American Drive
Appleton WI 54912
Fax (920) 832-3080

Date: May 21, 2013

Customer Name: City of Shelton CT

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Chassis Type</th>
<th>Body Type</th>
<th>Price per Unit</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Velocity</td>
<td>Rescue</td>
<td>$828,650</td>
</tr>
<tr>
<td>1</td>
<td>Velocity</td>
<td>PUC Rescue</td>
<td>$986,229</td>
</tr>
</tbody>
</table>

A 75% Contract Payment Discount of ($57,373.00) is available if the City chooses to pay $1,252,372.00 within 15 days of contract signing. A balance of $360,084.00 would be due at delivery and acceptance.

A 100% Contract Payment Discount of ($72,499.00) is available if the City chooses to pay 1,597,330.00 within 15 days of contract signing. A zero balance invoice would be generated at delivery and acceptance.

Warranty Period: 3 Years Bumper to Bumper

Training Requirements: As per specifications

Other Matters: A 100% performance bond shall be supplied with the returned/fully executed contract

This contract is available for inter-local and other municipal corporations to utilize with the option of adding or deleting any Pierce available options, including chassis models. Any addition or deletion may affect the unit price.

Payment Terms: The base price is as per the bid totaling $1,814,879.00 less the proposal revisions totaling ($84,337.00) for the Velocity PUC Rescue pumper and ($60,713.00) for the Velocity Rescue for a total of ($145,050.00) in revision discounts. The Revised contract base price - before pre payment discounts is $1,669,829.00. This total would be due upon delivery and acceptance if neither of the pre payment discounts is utilized.

The revision discounts specification changes are as per the lists on Exhibit C.

[NOTE: If deferred payment arrangements are required, the Customer must make such financial arrangements through a financial institution acceptable to Pierce.] All taxes, excises and levies that Pierce may be required to pay or collect by reason of any present or future law or by any governmental authority based upon the sale, purchase, delivery, storage, processing, use, consumption, or transportation of the Product sold by Pierce to the Customer shall be for the account of the Customer and shall be added to the Purchase Price. All delivery prices or prices with freight allowance are based upon prevailing freight rates and, in the event of any increase or decrease in such rates, the prices on all unshipped Product will be increased or decreased accordingly. Delinquent payments shall be subject to a carrying charge of 1.5 percent per month or such lesser amount permitted by law. Pierce will not be required to accept payment other than as set forth in this Agreement. However, to avoid a late charge assessment in the event of a dispute caused by a substantial nonconformance with material Specifications (other than freight), the Customer may withhold up to five percent (5%) of the Purchase Price until such time that Pierce substantially remedies the nonconformance with material Specifications, but no longer than sixty (60) days after Delivery. If the disputed amount is the freight charge, the Customer may withhold only the amount of the freight charge until the dispute is settled, but no longer than sixty (60) days after Delivery. Pierce shall have and retain a purchase money security interest in all goods and products now or hereafter sold to the Customer by Pierce or any of its affiliated companies to secure payment of the Purchase Price for all such goods and products. In the event of nonpayment by the Customer of any debt, obligation or liability now or hereafter incurred or owing by the Customer to Pierce, Pierce shall have and may exercise all rights and remedies of a secured party under Article 9 of the Uniform Commercial Code (UCC) as adopted by the state of Wisconsin.

QSD 1398 4 Revised: 09/10/2010
THIS PURCHASE DETAIL FORM IS EXPRESSLY SUBJECT TO THE PURCHASE AGREEMENT TERMS AND CONDITIONS DATED AS OF May 21, 2013 BETWEEN PIERCE MANUFACTURING INC. AND City of Shelton, CT, WHICH TERMS AND CONDITIONS ARE HEREBY INCORPORATED IN, AND MADE PART OF, THIS PURCHASE DETAIL FORM AS THOUGH EACH PROVISION WERE SEPARATELY SET FORTH HEREIN, EXCEPT TO THE EXTENT OTHERWISE STATED OR SUPPLEMENTED BY PIERCE MANUFACTURING INC. HEREIN.
EXHIBIT B

WARRANTY

THREE (3) YEAR BUMPER TO BUMPER AS PER SPECIFICATIONS AND PIERCE PROPOSAL

QSD 1398

Revised: 09/10/2010
## EXHIBIT C

### PIERCE PROPOSAL

### SHELDON FIRE DEPARTMENT RESCUE PROPOSAL REVISIONS

**PRICE CHANGES**

1. **REPLACE TO 1 ABC EXTINGUISHER** $115.00
2. **REMOVE PURPLE K AND CHANGE TO A 570 30# CLASS D EXTINGUISHER** $(181.00)
3. **REMOVE 2 - 8' PIKE POLES** $110.00
4. **REDUCE TO 1 - 10' PIKE POLE** $65.25
5. **REMOVE PARATECH MAXIFORCE LIFTING BAG SYSTEM** $8,000.00
6. **REMOVE MASTER CONTROL KIT** $2,990.00
7. **REMOVE MARINE GRADE PLYWOOD** $325.00
8. **REDUCE ELECTRIC TRIMO TO 1** $9,225.00
9. **REDUCE HYDRAULIC FLUID TO 2 - 1 GALLON UNITS** $240.00
10. **REDUCE HURST T-41 RAM TO 1** $4,625.00
11. **REDUCE HURST T-59 RAM TO 1** $4,850.00
12. **REMOVE SCOTT EAGLE IMAGER, REPLACE WITH ARGUS 4 TIC MODEL # P7050** $2,425.00
13. **REMOVE SCOTT CHARGER KIT, REPLACE WITH ARGUS TRUCK CHARGER** $190.00

### RADIO EQUIPMENT

1. **REDUCE TO 1 MOTOROLA UHF MOBILE RADIO (M21SSM9PW1_N)** $4,410.75
2. **REMOVE MOTOROLA UHF MOBILE RADIO (M21KSM9PW1_N)** $4,404.75
3. **REMOVE MOTOROLA PORTABLE RADIOS** $9,702.00

### VEHICLE MOUNTED EQUIPMENT (SPECIFICATION)

1. **REMOVE FRONT AND REAR WINCHES** $4,250.00
2. **REDUCE NUMBER OF HURST REELS TO 3, REMOVE 1 BUMPER MOUNTED REEL** $2,191.00

### COMPARTMENT INTERIOR PAINT OPTION

1. **REMOVE THE LINE X PAINT REQUEST.** $2,775.00

**TOTAL PRICE REDUCTION** $60,712.75

### SHELDON FIRE DEPARTMENT RESCUE PUMPER PROPOSAL REVISIONS

**PRICE CHANGE**

1. **REDUCE ABC EXTINGUISHER TO 1** $115.00
2. **REMOVE PURPLE K EXTINGUISHER** $119.25
3. **REMOVE PARATECH AIRBAG LIFTING KIT** $8,000.00
4. **REMOVE MASTER CONTROL KIT** $2,990.00
5. **REMOVE PLYWOOD** $325.00
6. **REDUCE TRIMO UNIT TO 1** $9,225.00
7. **REDUCE HURST T-41 RAM TO 1** $4,625.00
8. **REDUCE HURST T-59 RAM TO 1** $4,850.00
9. **REDUCE EXTENSION CONVERTER TO 2** $348.00
10. **REDUCE PARATECH CONTOUR BASE TO 2** $342.00
11. **REDUCE V-BASE TO 2** $294.00
12. **REDUCE PARATECH RUBBER BASE TO 2** $708.00
13. **REDUCE PARATECH OFFSET CONE BASE TO 2** $304.00
14. **REDUCE PARATECH 10" HYDRAULIC RAM SET TO 2** $3,160.00
15. **REDUCE PARATECH CHAIN TO 1** $205.00
16. **REDUCE PARATECH NON SLIP NEOPRENE PAD TO 2** $282.00
17. **REDUCE PARATECH 72" LONGSHORE STRUT TO 1** $1,346.00
18. **REMOVE ALL 1 1/2" RED HOSE** $198.00
19. **REMOVE ALL 1 1/2" BLUE HOSE** $495.00

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Revised: 09/10/2010
31. REMOVE ALL 1 ½" GREEN HOSE $ 495.00
32. REMOVE ALL 2 ½" HOSE $ 1,482.25
33. REMOVE ALL 3" HOSE $ 1,128.00
34. REMOVE ALL 5" HOSE $ 5,650.00
44. REMOVE DYNAMIC TRIO TOOLS $ 514.80
45. REMOVE 8LB SLEDGE $ 29.25
51. REMOVE DARLEY 3’ CROWBAR $ 35.00
52. REMOVE 6’ NEW YORKER PIKE POLE $ 65.00
54. REMOVE 12’ NEW YORKER PIKE POLE $ 115.00
56. REMOVE 3’ NEW YORKER PIKE POLE W/ HANDLE $ 69.25
57. REMOVE 3’ NY ROOF HOOK $ 69.25
60. REMOVE ALL PURPOSE STEEL HOOK $ 74.80
61. REMOVE “0” TOOL KIT $ 57.75
74. REMOVE ABC EXTINGUISHER $ 115.00
75. REMOVE CO2 EXTINGUISHER $ 160.00
76. REMOVE BOTH PRESSURIZED WATER EXTINGUISHERS $ 151.00
79. REMOVE 5” HYDRAULIC HOSE CLAMP $ 2,060.00
80. REMOVE HYDRANT WRENCHES $ 97.90
81. REMOVE SPANNER WRENCHES $ 81.60
82. REDUCE BRACKET W/ SPANNERS TO 2 $ 150.00

**RADIO EQUIPMENT**

1. REDUCE TO 1 MOTOROLA UHF MOBILE RADIO (M21SSM9PW1_N) $ 4,410.75
2. REMOVE MOTOROLA UHF MOBILE RADIO (M21KSM9PW1_N) $ 4,404.75
3. REMOVE MOTOROLA PORTABLE RADIOS $ 9,702.00

**VEHICLE MOUNTED EQUIPMENT (SPECIFICATION)**

1. REMOVE FRONT AND REAR WINCHES $ 4,250.00
2. REDUCE NUMBER OF HURST REELS TO 3. REMOVE ONE OF THE REAR COMPARTMENT REELS. $2,191.00
3. REMOVE (2) PISTON INTAKE RELIEF VALVES (INVOICE LINE #72) ONLY IF THEY DO NOT FIT ON THE PUC PUMP.

**COMPARTMENT INTERIOR PAINT OPTION**

1. REMOVE THE LINE X PAINT REQUEST. $ 8,846.00

**TOTAL PRICE REDUCTION** $ 84,336.70
AGREEMENT OF SALE FOR FIRE APPARATUS

THIS AGREEMENT is made between Kovatch Mobile Equipment Corp., t/a KME, of One Industrial Complex, Nesquehoning, Pennsylvania, ("Company") and:

City of Shelton

Legal Name of Buyer

54 Hill St., Shelton, Fairfield County, CT 06484

Address

City

County

State

Zip

203-924-1555

"Buyer" Phone Number

BUYER INFORMATION (check one):

Municipal Corporation ☑ Non-Profit Corporation ☐

Business Corporation ☐ Sole Proprietorship ☐

Other (specify):

State of Incorporation: CT Date of Incorporation:

1. ACCEPTANCE: Company agrees to sell and Buyer agrees to purchase the fire apparatus ("Apparatus") described in the Specifications incorporated as Exhibit A of this contract, as may be amended in writing, and the equipment listed herein, all in accordance with the terms and conditions set forth herein.

2. DELIVERY SCHEDULE: The Apparatus shall be ready for delivery F.O.B. Shelton at approximately 340-360 days after receipt of ☑ Contract ☐ Chassis subject to extension due to changes made by Buyer or in accordance with Sections 5 or 12 below.

3. PRICE: Buyer shall pay to Company as the Purchase Price for the Apparatus the sum of One Million, Eight Hundred Fourteen Thousand, Three Hundred Fourteen U.S. Dollars ($1,814,314.00)

This purchase price includes the following taxes: 0.00
Any applicable taxes not specifically noted above will be paid by the Buyer directly, or will be added to the Purchase Price and paid by Company. If Buyer claims exemption from any tax, Buyer agrees to promptly furnish the applicable exemption certificate(s) and to indemnify and save Company harmless from any such tax, interest or penalty, which may at any time be assessed against Company as a result of this transaction.

4. **TERMS OF PAYMENT**: Terms of payment shall be:

(A) Due upon signing........................................ $0.00
    Due upon completion/receipt of chassis... $0.00
    Due upon delivery...................................... $1,814,314.00

(B) Check applicable method of payment for remaining balance due:

- [x] Cash/cash equivalent at time of delivery
- [ ] Installment Sales Contract - Financing*
- [ ] Lease-Purchase Agreement - Financing*

* Lender/Leasing Company: _______________________

(C) No payment of any amount due under this Agreement shall be made directly to a KME Sales Representative without prior written approval from Company.

5. **CONTINGENCIES**: Company will not be liable for any delay, failure to make delivery, or other default due to strikes or labor unrest, war, riot, federal, state or local government action, fire, flood or other disaster or acts of God, accidents, breakdown of machinery, lack of or inability to obtain materials, parts or supplies, or any other causes or circumstances beyond the reasonable control of Company which prevent or hinder Company's manufacture and/or delivery of the Apparatus.

6. **WARRANTY**: Company provides a limited warranty on new Apparatus of its own manufacture in accordance with the warranty terms set forth in the Specifications.

**EXCEPT TO THE EXTENT PROHIBITED BY LAW, COMPANY MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF.**

SEE SEPARATE WARRANTY STATEMENT(S) FOR COMPLETE INFORMATION.

7. **DISCLAIMER OF CONSEQUENTIAL DAMAGES**: COMPANY EXPRESSLY DISCLAIMS ANY LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES WHICH MAY BE SUSTAINED BY BUYER, INCLUDING BUT NOT LIMITED TO THOSE ARISING FROM THE USE, INABILITY TO USE, MAINTENANCE OR REPAIR OF THE APPARATUS, WHETHER UNDER THEORIES OF BREACH OF EXPRESS OR IMPLIED WARRANTY, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE.
8. **CANCELLATION:** This contract is not subject to cancellation by Buyer, unless for material breach by Company, except upon payment to Company of reasonable cancellation charges, which shall take into account expenses already incurred and commitments made by Company and Company's anticipated profit.

9. **ENTIRE AGREEMENT; AMENDMENTS:** This contract, including its appendices, embodies the entire understanding between the parties relating to the subject matter contained herein and merges all prior discussions and agreements between them. No agent or representative of Company has authority to make any representations, statements, warranties or agreements not herein expressed. All modifications or amendments of this contract, including the appendices, and Change Orders, must be in writing signed by an authorized representative of each of the parties hereto.

10. **SEVERABILITY:** If any provision hereof shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, and this contract shall be construed as if the invalid, illegal or unenforceable provision had never been contained in it, unless to do so clearly negates the overall intent or purpose of the parties in entering into this contract.

11. **CHANGES IN COMMERCIAL SPECIFICATIONS:** Specifications for all commercial components of the Apparatus, manufactured by companies other than KME, are subject to change without notice. Specifications for such components will be as available at the time of manufacture of the Apparatus. Company shall not be liable for any specification deviations from the original contract specifications on such components made by their original manufacturer.

12. **CHANGES IN REGULATIONS/INDUSTRY STANDARDS:** The Purchase Price is subject to adjustment for changes to the Apparatus necessitated by changes in applicable government regulations (such as FMVSS or emissions regulations), industry standards (such as NFPA standards), replacement of discontinued models or components from vendors, or freight charges. Buyer is responsible for any cost increases due to such changes beyond Company's control.
EXPLANATION OF CONTRACT AMOUNT

BASE BID PRICE: 1,841,006.00

OPTIONS:

No payment at contract signing for two 79-foot quint. A quint is an apparatus that consists of an Aerial Device, Pump, Water Tank, Supply Hose and Portable Ground Ladders all on one vehicle.

Alter equipment list from original bid as follows, total savings of $8,174:

- Reduce to 1 set of Irons
- Remove 8lb Sledge, keep 12lb
- Remove 3' crowbar
- Remove 6' multi-purpose hook with ram knob
- Remove Officers Hook
- Reduce to 2 - 50' Extension cords
- Reduce to 2 - Jumpers
- Remove BioSystem Four Gas Meter
- Remove 2 Akron Black Max Intake valves
- Add 2 - 5" Hose Clamps for a total of 3
- Remove both Hydrant Wrenches

Eliminate two mobile radios, six portable radios, total savings of $18,518

FINAL CONTRACT PRICE WITH OPTIONS:

$1,814,314.00
IN WITNESS WHEREOF, Buyer and Company have caused this Agreement to be executed by their duly authorized representatives this ____ day of ______________, 2013.

City of Shelton
(Buyer's Legal Name)

By: ___________________________  By: ___________________________
   Signature                           Signature
Title: ___________________________  Title: ___________________________

By: ___________________________  By: ___________________________
   Signature                           Signature
Title: ___________________________  Title: ___________________________

Sales Representative: Eugene Tiani

Organization Name: KME New York Factory Branch

By: ___________________________
   Signature
Title: Sales Representative

This contract is not a valid and binding obligation until approved, dated and executed by Kovatch Mobile Equipment Corp., Nesquehoning, Pennsylvania.

ACCEPTED AND APPROVED BY KOVATCH MOBILE EQUIPMENT CORP.:

By: ___________________________
Title: ___________________________
Date: ___________________________
6- Adjournment

A motion to adjourn was made at 6:53 by Alderman Finn. The motion was seconded by Alderman Kudej. All were in favor.