



BOARD OF ALDERMEN SPECIAL MEETING MINUTES
MONDAY, DECEMBER 13, 2021 AT 5:00 P.M. IN THE AUDITORIUM
SHELTON CITY HALL, 54 HILL STREET, SHELTON CT
Live-Streamed at www.cityofshelton.org

Call to Order/Pledge of Allegiance

Mayor Lauretti called the Special Meeting of the Board of Aldermen to order at 5:00 p.m. in the auditorium at Shelton City Hall. All those present stood and pledged allegiance to the Flag of the United States of America.

Roll Call

Alderman John F. Anglace, Jr., President – Present
Alderman Eric McPherson, Vice President – Present
Alderman Cris Balamaci – Present
Alderman Michele Bialek – Not Present
Alderman Lorenzo Durante – Present
Alderman Porter McKinnon – Present
Alderman Anthony Simonetti – Present
Alderman Bernie Simons – Present

Administration

Fran Teodosio, Corporation Counsel – Present
Paul Hiller, Director of Finance

Agenda Items

1. BOOTH HILL ESTATES, EMILY LANE – ACCEPTANCE OF PUBLIC IMPROVEMENTS

Alderman McPherson MOVED, per the recommendation of the Street Committee, to accept the entire road system and other public improvements at Emily Lane within Booth Hill Estates subdivision.

Seconded by Alderman Simonetti.

Mayor Lauretti: How old is this subdivision now?

Alderman McPherson: A couple years at least.

Mayor Lauretti: These subdivisions have been around for a while now.

A voice vote was taken and the motion passed unanimously (7-0).

2. 185 EAST VILLAGE ROAD SUBDIVISION, ROSA LANE – ACCEPTANCE OF PUBLIC IMPROVEMENTS

Alderman McPherson MOVED, per the recommendation of the Street Committee, to accept the entire road system and other public improvements at Rosa Lane within 185 East Village Subdivision.

Seconded by Alderman Simonetti.

A voice vote was taken and the motion passed unanimously (7-0).

3. SOUNDVIEW CROSSING, WHISPERING PINES – ACCEPTANCE OF PUBLIC IMPROVEMENTS

Alderman McPherson MOVED, per the recommendation of the Street Committee, to accept the entire road system and other public improvements at Whispering Pines within Soundview Crossing Subdivision.

Seconded by Alderman Simonetti.

A voice vote was taken and the motion passed unanimously (7-0).

4. FUNDING OF C-MED COMMUNICATIONS SYSTEMS ACCOUNT

Alderman Anglace MOVED to transfer an amount of \$17,940 from Contingency General Account #001-9900-900.99-00 to the Public Safety Emergency/C-MED Communications Systems Account #001-2100-513.01-39.

Seconded by Alderman McPherson.

Mayor Lauretti: This is a result of a dispute with the owners of C-MED and our assessor regarding whether they are required or not to pay taxes on their equipment and lease holdings and the assessor won out on that issue. So, C-MED turned around and raised our rate to that amount. That happened during the course of this year.

A voice vote was taken and the motion passed unanimously (7-0).

5. ADOPTION OF NEWTOWN SAVINGS BANK RESOLUTION

A. RESOLUTION

Alderman Anglace moved to adopt the following resolution:

1. That the Borrower be and hereby is authorized to borrow the sum of FIVE MILLION FIFTY-FIVE THOUSAND and 00/100 -- (\$5,055,000.00) -- DOLLARS (the "Loan") from Newtown Savings Bank (the "Bank") pursuant to a financing commitment letter from Bank to the Borrower dated December 9, 2021, as may be amended, and to grant such collateral securing the Loan as may be required by Bank; and it is
2. FURTHER RESOLVED, that the Borrower be hereby is authorized to execute and deliver all such instruments, documents or agreements as Bank shall reasonably require in order to enable Bank to make said Loan to the Borrower; and it is
3. That the Bank be and hereby is designated a depository of the funds of this Borrower, and

MAYOR

SINGLY

is /are authorized to negotiate the terms of and to execute and deliver for and on behalf of the Borrower, each of the instruments, documents and agreements as may be necessary to consummate the Loan and/or as may be necessary or convenient to carry out any of the foregoing resolutions, is/are hereby authorized to sign, for and on behalf of this Borrower, any and all checks, drafts and other orders with respect to any funds at any time(s) to the credit of this Borrower with the Bank, and/or against any account(s) of this Borrower maintained at any time(s) with the Bank, inclusive of any such checks, drafts and other orders in favor of any of the above designated officer(s) and/or other persons(s), and that the Bank be and hereby is authorized: (a) to pay the same to the debit of any account(s) of this Borrower then maintained with it; (b) to receive for deposit to the credit of this Borrower, and/or for collection for the account of this Borrower, any and all checks, drafts, notes and other instruments for the payment of money, whether or not endorsed by this Borrower, which may be submitted to it for such deposits and/or collection, it being understood that each such item shall be deemed to have been unqualifiedly endorsed by this Borrower, and (c) to receive, as the act of this Borrower, any and all stop-payment instructions (inclusive of any relative agreement) with respect to any such checks, drafts, and other orders as aforesaid and reconciliation(s) of account when given by any one or more of the officer(s) and/or other person(s) as hereinbefore designated.

4. That:

NAME/ TITLE OF OFFICE HELD:

SIGNATURE:

Mark A. Lauretti, its Mayor

is/are hereby authorized, for and on behalf of this Borrower, to transact any and all other business with or through the Bank which at any time(s) may be deemed by the said officer(s) and/or other person(s) transacting the same to be advisable, including, without limitation the generality of the foregoing, authority to: (a) discount and/or negotiate notes,

drafts and other commercial paper; (b) apply for letters or other forms of credit; (c) borrow money, with or without security; (d) assign, transfer, pledge or otherwise hypothecate any property of the Borrower; (e) purchase, exchange, sell, or otherwise deal in or with any stocks, bonds and other securities; (f) execute and deliver automated customer services and other agreements relative to performance of various computer services, and (g) in reference to any of the business or transactions referred to in this subdivision make, enter into, execute and deliver to the Bank such negotiable or non-negotiable instruments, indemnity, guaranty and other agreements, obligations, assignments, endorsements, hypothecations, pledges, receipts and/or other documents as may be deemed by the officer(s) and/or other person(s) so acting to be necessary or desirable.

5. That any and all withdrawals of money and/or other transactions heretofore had in behalf of this Borrower with the Bank are hereby ratified, confirmed and approved, and that the Bank (and any interested third party) may rely upon the authority conferred by this entire resolution unless, and except to the extent that, this resolution shall be revoked or modified by a subsequent resolution of this Board, and until a certified copy of such subsequent resolution has been received by the Bank.
6. That the Bank be promptly notified in writing of any change of any holder or holders of such offices, and that, until so notified and receipt acknowledged by it in writing, the Bank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in continuing to act in pursuance of these resolutions after such change without such notice.

Seconded by Alderman Simonetti.

Alderman Anglace: The last paragraph, #6, how broad is this request, who does this apply to? Does it apply to just the Mayor or the Mayor and the Board of Aldermen?

Mayor Lauretti: I think it references the office holders in the agreement.

Alderman Anglace: So that would be the Mayor and the Board of Aldermen.

Fran Teodosio: It's the people who are the Executive Branch of the government. They are the ones who effectuate the responsibilities of the entity.

Mayor Lauretti: The Mayor and the City Treasurer.

Alderman Anglace: I also want to reference the fact that the December 9, 2021 letter is the letter that we are talking about, just so it's clear to everybody which letter we are referencing. That was negotiated by authorization of the Board to have the Mayor and Counsel do that. Everything seems to be in order.

Fran Teodosio: Mr. Mayor, John did a good job of reading the resolution that was forwarded to the aldermen that emanated from Newtown Savings Bank for this loan. The bank, within the last half hour, has also just asked that the Board of Aldermen pass a generic resolution to cover all the signing of the papers. It's very short and I have it here in my computer as I didn't get a chance to print it.

Mayor Lauretti: We always do that anyways.

Fran Teodosio: Yes, but they have specific language that they want you to approve. May I read it to the board?

Mayor Lauretti: Sure.

Fran Teodosio: I think you have a motion on the floor for this one.

Mayor Lauretti: Ok, let's stick with this resolution right now.

Alderman Simonetti: Can we do that with it not being on the agenda?

Mayor Lauretti: It is on the agenda.

A voice vote was taken and the motion passed 7-0.

B. APPROVAL OF LOAN FINANCING

Mayor Lauretti: Okay Counsel do you have a motion for the Board's consideration?

Fran Teodosio: This is just a truncated version of what you just read.

WHEREAS, the City of Shelton desires to obtain a loan in accordance with the terms and conditions of that certain financing commitment letter dated December 9, 2021 from Newtown Savings Bank (the "Bank") for a commercial term loan in the principal amount of up to \$5,055,000.00 (the "Loan"), and

NOW THEREFORE BE IT RESOLVED that the City of Shelton does hereby approve and consent to:

- (a) the closing of the Loan with the Bank upon such terms and conditions as the City of Shelton, through and by its Mayor Mark A. Lauretti approves, such approval to be conclusively evidenced by his execution and delivery of the documents related to the Loan;
- (b) pledge, assign, grant security interests in and otherwise transfer to the Bank as collateral security for any and all liabilities of this Company to the Bank, whenever and however arising, related to the Loan, as the Bank may require; and
- (c) BE IT FURTHER RESOLVED, that Mark A. Lauretti, Mayor of the City of Shelton is hereby authorized to negotiate, prepare and execute any further documents and agreements on behalf of the City of Shelton and to do and perform all acts and things which he deems necessary or appropriate to carry out the terms of the foregoing.

Alderman Simonetti: So, moved.

Alderman McPherson seconded the motion.

Alderman Anglace: I don't think we should make a separate motion. I think we should amend the first motion. You adopt this as a change to the resolution or an addition to the resolution and call it an adjustment to the resolution adopted for the Newtown Savings Bank.

Alderman Simonetti: You want to add it to what we already have done and make it 6A?

Alderman Anglace: Yes, because otherwise you are adopting a new issue.

Fran Teodosio: John, what you just read needs to be certified by the Town Clerk. What I just read just gives the Mayor the authority to do what he is going to do tomorrow.

Mayor Lauretti: It's the same issue. There are two motions that apply to this borrowing resolution. One was passed and there is one on the floor. I don't know why you think it has to be one and the same, they are not one and the same.

Alderman Anglace: You want to know why? It wasn't put on the agenda in advance. It's a modification of the original motion.

Mayor Lauretti: It is not a modification. This pertains to the borrowing of \$5,055,000.00.

Alderman Anglace: So? What you are proposing is a new motion. What item is it on the agenda?

Fran Teodosio: It's the motion that has to do with Item 5. Adoption of Newtown Savings Bank Resolution.

Alderman Anglace: That's my point. My whole point is that it's the modification of the motion for Item 5 on the agenda. It's not a new motion. We are modifying the Adoption of the Newtown Savings Bank Resolution to include this.

Fran Teodosio: I don't think it matters what we call it. We just need the Board of Aldermen to understand that one document is going to be signed by the Town Clerk and the other is to be accepted by...

Alderman Anglace: I accept that. Why it matters is Freedom of Information. We didn't put a separate motion on the agenda, did we?

Fran Teodosio: John, we have a topic on the agenda. The topic on the agenda is the borrowing of the money. The language for the borrowing of the money was suggested to us in a resolution by the bank. That is why the aldermen have what they have in front of them. The further language that I just read is consistent with that resolution. It just has to do specifically with letting the Mayor sign every single document that is going to effectuate the resolution that just passed. It's one and the same.

Alderman Anglace: Then why are we putting it on as a separate motion? If it's one and the same, incorporate it into this motion, in Item #5. Do what you want to do. I am not going to support it. I am going to abstain. If it goes the way it is, I am going to abstain.

Alderman Simonetti: Let's say that John is correct, would that nullify all we have done tonight?

Mayor Lauretti: This is a stupid argument. If I have to say that publicly, it's the first thing that comes to my mind. Just pass the resolution and let's move on. We already passed the resolution to do the borrowing. This is to complete the borrowing.

Alderman Simonetti: My other point is that we do this all the time. We authorize the Mayor to sign all the time. It's nothing new.

Fran Teodosio: If you didn't have what I just read to you, you would probably have a two-line motion that authorizes the Mayor to sign and effectuate agreement to make this loan go through. That's nothing more than I just read.

Alderman Simonetti: But #4 in the motion says that already.

Alderman Simons: The first sentence of Item #4 says that. It's right there.

Alderman Simonetti: Why is the bank insisting on this?

Fran Teodosio: Because banks are banks. The document that you have in front of you is the soup to nuts resolution that Marge Domorod, the Town Clerk, has to sign tomorrow and certify. In addition to that, the bank wants to know that this specific resolution was passed by the Board of Aldermen.

A voice vote was taken and the motion passed 6-1; Alderman Anglace abstained.

Bonding FY 22

FY 20

12/12/2019	35,685	Boiler at Echo Hose Fire House
1/9/2020	306,659	Refurbishment of Shelton High Tennis Courts
2/13/2020	43,750	267 Canal Street Star Pin Admin and Project Oversight
2/13/2020	46,200	267 Canal Street Star Pin Brownfields Consulting Services
2/13/2020	175,000	Purchase of Dump Truck Public Works
3/12/2020	15,000	Improvements 27 and 35 Old Town Road
3/12/2020	30,230	New Pool Pump at the Community Center
3/12/2020	14,025	additional service fees for birdseye road water main ext prj phase 2
3/12/2020	35,506	New 4 WD Pickup Truck for H&B
4/9/2020	190,000	Engineering Services Constitution BLVD North Extension
5/14/2020	150,000	Purchase 45 Grove Street and 0 Grove Street
5/14/2020	300,000	Funding for Road Rehabilitation
6/5/2020	42,852	Purchase of Pickup Truck Maintenance Dept
6/5/2020	20,000	Additional Funding 27 and 35 Old Town Road
6/11/2020	62,537	Sidewalk Reimbursement Request Howe Avenue 42 Canal St
6/11/2020	25,950	2017 Purchase of a used Truck
6/11/2020	110,240	Lane Street Bridge Replacement
6/29/2020	150,000	Funding for Police Dept Vehicle Purchase
6/29/2020	165,691	Funding for Maintenance Items/Hand Dryers City School

FY 21

7/9/2020	158,175	Structural Firefighting Gear
7/9/2020	19,686	Infield Groomer for P&R
7/9/2020	27,743	Zero Turn Rotary Mower
7/9/2020	72,952	Truck for P&R
8/13/2020	2,812	Purchase of Appliances 58 Perry Hill Road
8/13/2020	18,800	Additional Improvements 27 Old Town Rd
8/13/2020	40,000	US EPA COMM WIDE ASSESSMENT GRANT Admin Services
9/15/2020	20,000	27 Old Town Road Improvements
9/15/2020	91,356	Shelton High School Tennis Courts
10/8/2020	21,498	Purchase Plow Sander Flatbed for Parks and Rec
10/8/2020	98,000	Conservation/Trails Committee Barn
11/4/2020	35,000	Used Vehicle for Engineering Dept
12/10/2020	58,818	Additional Police Vehicle Expenses
1/7/2021	33,970	Office Furniture Town Clerk/Mayor's Secretary Offices
1/7/2021	28,176	Outfitting and Installations New Fire Truck
1/21/2021	15,000	Rehabilitation/Repurposing of a Fire Truck
3/29/2021	104,409	Purchase of Police Cars
5/13/2021	600,000	Funding for Road Rehabilitation
		Rescission of Action Funding for
6/24/2021	(\$15,000)	Repurposing of Fire Truck
6/24/2021	298,382	Funding for Automated Refuse Truck
		Funding for Transformer & Electrical
6/24/2021	205,550	Upgrades at SHS
6/24/2021	252,000	Funding for Bridgeport Magnet School Tuition Costs
6/24/2021	378,195	Funding for Road Rehabilitation

FY 22

7/8/2021	137,600	HVAC Replacement PML
7/8/2021	318,966	Replacement of Windows HBR
9/9/2021	35,000	Renovations to city owned property 45 grove st
9/9/2021	80,123	Demolition Chicken Coop 27 Old Town Road

5,056,535

6. FILE DISPOSITION OF STATE COVID MONEY

Alderman Anglace MOVED that pursuant to the guidelines issued by the United States Department of the Treasury, the following modifications for the Fiscal Year 2022 budget and the Municipal Covid Relief Fund (CRF) funded by the State of Connecticut and the United States Department of the Treasury are adopted:

Resolved that the adopted budget for FY '22 for the Police Department Regular Payroll, Account # 001-2500-511.10-01 be reduced by \$254,442 and such costs incurred be charged

Further, be it resolved that the following modifications to the FY '22 budget be adopted:

Recreation – Amendment to December 7, 2021 Item 9.5 Funding for Rehabilitation & Expansion of ADA-Compliant Playground & Pavilion for Outdoor Classroom at Sunnyside School be reduced by \$150,000 from Aldermanic bonding under Sec.7.16 of the City Charter and that the, Budget for Recreation, Account #001-1000-622.60-36 New Equipment be increased by \$151,190.

That the Item 9.7 adopted December 7, 2021, Amendment to September 9, 2021 Item 9.4 Funding for the Purchase of Parks and Recreation Vehicle, in the amount of \$53,252 be rescinded and that the budget for Recreation, Account #001-1000-622.60-36 New Equipment be increased by \$53,252.

Management Information Service –That the budget for Management Information Service, Account #001-5200-412.65-16 Computer Hardware/Software be increased by \$50,000.

Seconded by Alderman Simonetti.

Alderman Anglace: Are these items, Recreation, Parks & Recreation and Management Information Service, are these items going to be charged to the Municipal Covid Relief Fund?

Mayor Lauretti: No, they are not.

Alderman Anglace: Then where is it coming from?

Paul Hiller: This is at the direction of the state. We received initially last fall a total of just over \$365,000. We had to file a form with the state back in October. They did not accept certain expenditures that we had put in, for example, we had put in for unemployment for school bus drivers and they would not accept that. The guidelines are distributed by the United States Department of Treasury and administered by the Department of Treasury and the Office of OPM. I have had several conversations, most recently last week, with Martin Heft, who is the Deputy Director at OPM. After our initial expenditure, we had \$254,000 remaining. We have to spend that, under the Federal Guidelines, by December 31st. What he suggested, is that one of the things that is available to spend it on, is police salaries. Per his suggestion, we were going to expense, and the board had already adopted, for example, the new equipment and the expansion of ADA compliant playground at Sunnyside School and we purchased a truck for Parks & Recreation, the intent was to expend those to the Covid Account initially. What we want to do is comply with the Department of Treasury regulations and the easiest way to do that is to reduce the police salary budget by just over \$250,000 and expense that to Covid and take that money, which is already in the budget, it doesn't change the budget of the city at all, not one dime, and take those items and...

Mayor Lauretti: Paul, I think what's not clear is the actual transfer itself, and I, myself, struggled to figure it out. If someone were to pick it up, they wouldn't know how the transfer was actually taking place.

Paul Hiller: We are transferring \$254,000 out of the Police Department budget to the Covid Fund.

Mayor Lauretti: No, it's not.

Paul Hiller: It's going to be expensed there because those expenses have been incurred.

Mayor Lauretti: That's correct but you are taking \$254,000 out of the police budget and where does that go?

Paul Hiller: That money stays in the General Fund.

Mayor Lauretti: Let me finish. I understand the money goes back to the General Fund but don't we have to reappropriate from the General Fund to Recreation for those expenditures?

Paul Hiller: That, in theory, is what you are doing here but you are not expanding the budget. The bottom line doesn't change.

Mayor Lauretti: Yes, yes, I understand, that doesn't change but we are expanding the departmental budgets and there is some type of verbiage that we use to do that.

Paul Hiller: You are increasing essentially three lines in the budget and decreasing one.

Mayor Lauretti: I am not sure if the second part of the motion, and Fran correct me if I am wrong, where the \$254,000 is going to be redistributed to pay for those three items, and I see we are rescinding the aldermanic bonding approval but those items didn't get paid out of the Recreation budget. It got paid out of aldermanic bonding.

Paul Hiller: Those two items were allocated from aldermanic bonding, what you are doing is rescinding \$150,000 and you are rescinding the \$53,250 which was amended last week which was originally \$55,000 and the final cost on the truck was \$53,250. You are taking that money out of aldermanic bonding.

Mayor Lauretti: I understand that. You are rescinding the aldermanic bonding; the money goes back into aldermanic bonding and you are taking the \$254,000 from the police department budget and it goes back into the General Fund and now you are paying for the other items but we don't have a line item in Parks and Recreation for vehicles.

Paul Hiller: I put it into the line for new equipment because it is essentially new equipment for Parks and Recreation Department.

Mayor Lauretti: Okay, I see that. So, line item for New Equipment in Parks and Recreation gets increased by \$150,000.

Paul Hiller: It really gets increased by \$254,000.

Mayor Lauretti: Yes. And you are doing the same thing for Information Management Systems?

Paul Hiller: That was a discussion that you and I had about purchasing new equipment and the major piece of equipment there is the server which is dated and the current main server is five or six years old. The backup is nine or ten years old. The rest is for new, updated computers

and monitors for people primarily within this building. One of the things that very few people have is the video camera and with so many meetings taking place virtually, they are needed.

Mayor Lauretti: Is everyone clear on the trail of the money, for lack of a better word? It's a little confusing and it's complicated.

Alderman Durante: With these recommendations from the state, this should all be okay? Once we make these adjustments, there is nothing else the state needs us to do?

Paul Hiller: I am relying on Mr. Heft's recommendation. No one, 169 towns, have been down this road before. Other communities are doing it this way and as he pointed out to me last week, this is a guideline and directive from the United States Treasury Department. We are relying on Mr. Heft's advice.

A voice vote was taken and the motion passed unanimously (7-0).

ADJOURNMENT

Alderman Anglace MOVED to adjourn the Board of Aldermen Special Meeting.

SECONDED by Alderman McPherson.

A voice vote was taken and the motion passed unanimously. Meeting adjourned at 5:50 p.m.

Respectfully Submitted

Theresa Adcox

Theresa Adcox
Clerk, Board of Aldermen

DATE APPROVED _____ BY: _____
Mayor Mark A. Lauretti
