



CITY OF ANSONIA BOARD OF ALDERMEN Special Meeting – September 3, 2013

Call to Order

Aldermanic President Gene Sharkey called the Special Meeting of the Ansonia Board of Aldermen to order at 7:16 p.m., immediately following the Public Hearing on Bonding.

Roll Call

The following were in attendance:

Edward Adamowski, D1- present
Peter Marcinko, D1 - present
Charles Stowe, R2 - present
Philip Tripp, R2 - present
Kevin Mott, D3- present
Joseph Jeanette, D3 - absent
Jerome Fainer, D4 - present

Anthony DeLucia, D4 - absent
Howard Madigosky, D5 - absent
Joan Radin, R5 - present
Scott Nihill, D6-absent
John Marini, R7 - absent
David Knapp, D7 - present
Gene Sharkey, D6 - present

There were 9 Aldermen present and 5 absent.

President Sharkey stated, the purpose of the meeting is to consider and act on a Resolution entitled, "RESOLUTION APPROPRIATING \$5,120,000 FOR THE CITY OF ANSONIA CAPITAL IMPROVEMENTS 2013-2014 AND AUTHORIZING THE ISSUE OF UP TO \$5,120,000 IN BONDS OF THE CITY TO MEET SAID APPROPRIATION OR SUCH LESSER AMOUNT IF LESS THAN ALL COMPONENTS ARE APPROVED, AND PENDING THE ISSUANCE THEREOF, THE MAKING OF TEMPORARY BORROWINGS THEREFOR IS HEREBY ADOPTED." That is the one that you have before you.

Alderman Tripp MOVED to waive the entire reading, which is carried here; SECONDED by Alderman Stowe. A voice vote was taken and the MOTION PASSED 9-0.

Alderman Radin MOVED to adopt the following Resolution: "RESOLUTION APPROPRIATING \$5,120,000 FOR THE CITY OF ANSONIA CAPITAL IMPROVEMENTS 2013-2014 AND AUTHORIZING THE ISSUE OF UP TO \$5,120,000 IN BONDS OF THE CITY TO MEET SAID APPROPRIATION OR SUCH LESSER AMOUNT IF LESS THAN ALL COMPONENTS ARE APPROVED, AND PENDING THE ISSUANCE THEREOF, THE MAKING OF TEMPORARY BORROWINGS THEREFOR IS HEREBY ADOPTED." SECONDED by Alderman Fainer.

RESOLUTION APPROPRIATING \$5,120,000 FOR CITY OF ANSONIA CAPITAL IMPROVEMENTS 2013-2014 AND AUTHORIZING THE ISSUE OF UP TO \$5,120,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION (OR SUCH LESSER AMOUNT IF LESS THAN ALL COMPONENTS ARE APPROVED) AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS THEREFOR

Section 1. The sum of \$5,120,000 is appropriated for City of Ansonia Capital Improvements 2013-2014 as follows:

Energy Conservation

	\$ 66,000	HVAC Ansonia Rescue and Medical Services
	\$728,000	Police Station
	\$112,975	Library
\$290,000		Roofs: City Hall, Eagle Hose Fire, Ansonia Rescue and Medical, and Armory
	<u>\$ 28,025</u>	Debt Administration
\$1,225,000		

Public Safety

\$525,000	School Security	
\$220,000	Police station land purchase	
	<u>\$ 20,000</u>	Debt Administration
	\$765,000	

Property Improvements

	\$430,000	Nature Center pond dredging and parking
	\$324,000	Nolan Field Athletic Complex
	\$200,000	River walk expansion
	\$300,000	Armory Elevator Installation
	<u>\$ 31,000</u>	Debt Administration
\$1,285,000		

Environment

	\$400,000	Peck School Demolition
	\$325,000	VAC Truck
	\$255,000	Transfer Station improvements
	\$ 15,000	Underground storage tank removal
	<u>\$ 25,000</u>	Debt Administration
\$1,020,000		

Roads and City Parking

	\$133,000	Woodbridge Avenue Ext, Beech St., Hilltop
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Hose driveway

	\$350,000	West Main Street Parking
	<u>\$ 12,000</u>	Debt Administration

\$495,000

Olson Drive Land Purchase

\$320,000 Acquisition Expense

\$ 10,000 Debt Administration

\$330,000

hereafter the "Project". The Project shall include all expenses necessary and appropriate to accomplish the Project, including planning, acquisition and construction, remediation, demolition expenses, repair or reconstruction required of demolition sites, appurtenances or utility, road, sidewalk and abutting property, horizontal and vertical realignment, drainage installation, reclamation, paving, curbing, milling, capping, utility relocation, engineering or other design or implementation professionals, consultants, appraisers, equipment, legal, advertising, printing, financing and administration costs, or so much thereof as may be accomplished within said appropriation, or such additional improvements as may be accomplished within said appropriation. The Board of Aldermen may prioritize projects and allocate resources among purposes as necessary to accomplish as many purposes as possible. Said appropriation shall be in addition to grant funding and all prior appropriations for the Project.

Section 2. To meet said appropriation \$5,120,000 bonds of the City or so much thereof as may be necessary for such purpose, shall be issued, maturing not later than the twentieth year after their date, or such later date as may be allowed by law. Said bonds may be issued in one or more series as determined by the Mayor and the City Treasurer, (the "City Officials") and the amount of bonds of each series to be issued shall be fixed by the City Officials. Said bonds shall be issued in an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, or, be combined with other bonds of the City 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 City by the manual or facsimile signatures of the Mayor and the City Treasurer, bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the Mayor, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Mayor, and be approved as to their legality by Joseph Fasi LLC, Bond Counsel, of Hartford. They shall bear such rate or rates of interest as shall be determined by the City Officials. 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, that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon and shall be paid from property taxation to the extent not paid from other funds available for the payment thereof. 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 City Officials in accordance with the General Statutes of the State of

Connecticut, as amended. In connection with the issuance of any bonds or notes authorized herein, the City may exercise any power delegated to municipalities pursuant to Section 7-370b, including the authority to enter into agreements moderating interest rate fluctuation, provided any such agreement or exercise of authority shall be approved by the Board of Aldermen. In order to meet the capital cash flow expenditure needs of the City, the Mayor is authorized to allocate and reallocate expenditures incurred for the Project to any bonds or notes of the City outstanding as of the date of such allocation, and the bonds or notes to which such expenditures have been allocated shall be deemed to have been issued for such purpose, including the bonds and notes and Project herein authorized.

Section 3. Said bonds shall be sold by the City 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 other competitive process 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, the provisions of purchase agreement shall be subject to approval of the Board of Aldermen. With respect to the receipt of original issuance premium or bid premium upon the sale of the bonds or notes herein authorized, the Mayor is authorized, but not required, to apply original issuance premium and bid premium, if applicable, to fund any purpose for which bonds of the City are authorized to be issued, and such application shall reduce the amount of authorized and unissued bonds of the purpose to which the premium was applied, in the amount so applied.

Section 4. The City Officials are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the City Officials, have the seal of the City affixed, be payable at a bank or trust company designated by the Mayor, be approved as to their legality by Joseph Fasi LLC, Bond Counsel, of Hartford, and be certified by a bank or trust company designated by the Mayor 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 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, that the full faith and credit of the City are pledged to the payment of the principal thereof and the interest thereon and shall be paid from property taxation to the extent not paid from other funds available for the payment thereof. 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 City (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 Comptroller or his designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 6. The Mayor or his designate is 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 ordinance.

Section 7. It is hereby found and determined that the issue of all, or a portion of, the Bonds authorized to be issued herein as qualified private activity bonds, or with interest that is includable in gross income of the holders thereof for purposes of federal income taxation, is in the public interest.

Section 8. This resolution shall not take effect unless and until approved at referendum to be held on November 5, 2013. The questions to be voted on shall be as follows:

Shall the \$1,225,000 appropriation and general obligation bond issuance authorization for energy conservation improvements including HVAC improvements among the Ansonia Rescue and Medical Services headquarters, Police Station and Library; roof repairs to City Hall, Eagle Hose & Hook Fire Company building, and Ansonia Rescue and Medical Services, and Armory, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO

Shall the \$765,000 appropriation and general obligation bond issuance authorization for City Public Safety consisting of School Security improvements and the purchase of land to expand the police station, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO

Shall the \$1,285,000 appropriation and general obligation bond issuance authorization for City Property improvements consisting of Ansonia Nature Center pond dredging and parking, Nolan Field Athletic Complex improvements, expansion of the River Walk, and Armory elevator installation, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO

Shall the \$1,020,000 appropriation and general obligation bond issuance authorization for City Environmental capital improvements consisting of the acquisition of a Vacuum Truck, Transfer Station improvements, Peck School Demolition and underground oil storage tank removal, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO

Shall the \$495,000 appropriation and general obligation bond issuance authorization for City Road and Parking Improvements to Woodbridge Avenue Extension, Beech Street and Hilltop Hose Driveway, and the West Main Street Parking Lot, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO

Shall the \$330,000 appropriation and general obligation bond issuance authorization for the City to purchase land on Olson Drive, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO

The approval of one or more questions shall constitute the approval of the project set forth in the approved question and this resolution, and approval of the appropriation and bond resolution in the amount of the sum of the appropriation and bond issuance authorization of the voter approved questions.

Section 9. The Town Clerk is hereby authorized and directed to prepare pursuant to section 9-369b of the Connecticut General Statutes explanatory text for the foregoing questions. Subject to the approval of the Corporation Counsel, the Board further authorizes the preparation and printing of materials concerning the questions approved above in addition to the explanatory text in accordance with section 9-369b of the Connecticut General Statutes.

Discussion:

Alderman Stowe asked Corporation Counsel, regarding Peck School being owned by somebody else, are there any legal complications we should be aware of?

Corporation Counsel Blake replied no, if we can't do this project, we won't go out for the bond money. This is just in contingency if we are able to obtain ownership of the building either by Beacon Builders giving the building back to us, or by legal action.

Alderman Stowe stated, I know there could be a problem if that person is failing in their taxes and obligations, that there is an obligation to a second bidder or third bidder. We should cautiously pay attention to what we're doing with this particular item on the bond. I don't think any of us were made aware during the discussions, and we need to be careful with that.

Corporation Counsel Blake stated, and that's why we'll proceed through the court system unless he voluntarily gives up the property. That property that was sold was not just Peck School, but the old Lincoln-Hayes School as well.

Alderman Stowe stated, I understand. We're doing a good thing for the public with this bond. When you can borrow money at 3 percent, the way we did this bonding, it is not going to increase anybody's taxes over the next six years in paying it back. It's a good thing that needs to be done. We had good public

debate and I believe this is the right thing to do to enhance the City and save the taxpayers from having to pay for this.

President Sharkey stated, we did our due diligence. We need to put this forward and look at getting it done and getting it on the bond. We also need to do our due diligence later.

I received a call from one of the heads of HUD, still stating they didn't recommend the City of Ansonia go forward putting the money for the possible purchase of Olson Drive here. They had their legal counsel on the telephone while they spoke to me. I think they also called Alderman Nihill, and they called you also. I don't think any other Aldermen than the three of us received calls from them.

I explained to Ms. Gottlieb that there was a chance that the City of Ansonia in the future might purchase that property, and we talked about we would meet and discuss what would go there. But there is no chance of doing this six months from now or a year from now if it's not on the bond in November. I questioned why she was calling the President of the Board of Aldermen to recommend it be taken off, and she had no comment for me.

Again, we would do our due diligence. If the federal government finds in the future that they want to sell it to the City of Ansonia, we will have the funds here. We would not spend the funds unless the property came available and it was in the future putting out there what the City of Ansonia's citizens want to see on there. We need to keep it here on the bond because it may end up being made available to us.

We need to keep the 70 Platt Street property there because it might not be available if we don't take advantage of the chance that it is for sale now.

We need to keep Peck School there and then do our due diligence and find out if the property does end up being ours, and if in fact there is a chance for a second bidder, and Mr. Cassetti does wish to take the property, he can take the property and he can have it - nobody is trying to stop that from happening. We are trying to get our bonds back, trying to put blight liens on there, trying to collect the back taxes on there, and we know since the day it was sold to him, it is a Public Health and Safety hazard. We need to take a look at what needs to be done to the building, so we have it there just in case we want to do it.

Alderman Fainer asked Corporation Counsel Blake, is there a statute of limitations about who was high bidder and who was second bidder? So 20 years down the road does it still have to defer to the second bidder?

Corporation Counsel Blake stated, he bought the buildings, he did work on one of the buildings. It's not the same building any more so I'm not sure by him doing that it would go to the second bidder, we can't even do that because we have a contract with Beacon Builders. That's why I'm recommending we go to

the foreclosure on these properties. The bank is already doing that on the properties. He is already behind on the mortgage.

A roll call vote was taken as follows:

NAME	YES	NO	ABSTAIN
Adamowski	X		
Marcinko	X		
Stowe	X		
Tripp	X		
Mott	X		
<i>Jeanette</i>			
Fainer	X		
<i>DeLucia</i>			
<i>Madigosky</i>			
Radin	X		
<i>Nihill</i>			
<i>Marini</i>			
Knapp	X		
Sharkey	X		
TOTALS:	9	0	0

President Sharkey declared the Resolution UNANIMOUSLY ADOPTED by a vote of 9 Yes, 0 No, 0 Abstentions.

President Sharkey stated, I will now introduce and read the following Resolution:

“Resolved, that the Resolution entitled “RESOLUTION PROVIDING FOR REFERENDUM VOTE TO BE HELD ON NOVEMBER 5, 2013 IS HEREBY ADOPTED”

Alderman Fainer MOVED to waive the reading of the entire Resolution and incorporate its full text into the minutes of this meeting; SECONDED by Alderman Radin. A voice vote was taken and the MOTION PASSED 9-0.

Alderman Tripp MOVED to ADOPT the Resolution entitled “RESOLUTION PROVIDING FOR REFERENDUM VOTE TO BE HELD ON NOVEMBER 5, 2013” as introduced; SECONDED by Alderman Marcinko. A voice vote was taken and the MOTION PASSED 9-0.

RESOLUTION PROVIDING FOR REFERENDUM VOTE TO
BE HELD ON NOVEMBER 5, 2013

RESOLVED: That the resolution entitled “RESOLUTION APPROPRIATING \$5,120,000 FOR CITY OF ANSONIA CAPITAL IMPROVEMENTS 2013-2014 AND AUTHORIZING THE ISSUE OF UP TO \$5,120,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION

(OR SUCH LESSER AMOUNT IF LESS THAN ALL COMPONENTS ARE APPROVED) AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS THEREFOR,” as adopted by this meeting of the Board of Aldermen, be submitted pursuant to Section 133C of the City Charter and Chapter 152 of the Connecticut General Statutes, as amended, to a referendum vote of the qualified electors of the City for approval or disapproval at a referendum held in conjunction with the general election on November 5, 2013 between the hours of 6:00 A.M. and 8:00 P.M. and that the Notice of said Referendum state the questions to be voted upon and the ballot labels with respect thereto as follows:

Question 1:

“Shall the \$1,225,000 appropriation and general obligation bond issuance authorization for energy conservation improvements including HVAC improvements among the Ansonia Rescue and Medical Services headquarters, Police Station and Library; roof repairs to City Hall, Eagle Hose & Hook Fire Company building, and Ansonia Rescue and Medical Services, and Armory, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO”

Question 2:

“Shall the \$765,000 appropriation and general obligation bond issuance authorization for City Public Safety consisting of School Security improvements and the purchase of land to expand the police station, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO”

Question 3:

“Shall the \$1,285,000 appropriation and general obligation bond issuance authorization for City Property improvements consisting of Ansonia Nature Center pond dredging and parking, Nolan Field Athletic Complex improvements, expansion of the River Walk, and Armory elevator installation, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO”

Question 4:

“Shall the \$1,020,000 appropriation and general obligation bond issuance authorization for City Environmental capital improvements consisting of the acquisition of a Vacuum Truck, Transfer Station improvements, Peck School Demolition and underground oil storage tank removal, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO”

Question 5:

“Shall the \$495,000 appropriation and general obligation bond issuance authorization for City Road and Parking Improvements to Woodbridge Avenue Extension, Beech Street and

Hilltop Hose Driveway, and the West Main Street Parking Lot, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO”

Question 6:

“Shall the \$330,000 appropriation and general obligation bond issuance authorization for the City to purchase land on Olson Drive, and for debt administration, pursuant to the resolution adopted by the Board of Aldermen and BOAT, be approved? YES/NO”

The voting will be by paper/electronic ballot. Those desiring to vote for the question shall fill in the box in front of the question on the ballot at “**YES**”. Those desiring to vote against the question shall fill in the box in front of the question on the ballot at “**NO**”. Absentee ballots will be made available in accordance with law.

The warning of said Referendum shall state that the full texts of the aforesaid resolution and questions are on file open to public inspection in the office of the Town and City Clerk.

[Alderman Jeanette returns at this point, 10 present]

President Sharkey stated, in conversations with the Secretary of State’s Office and the Board of Elections, our bonding questions will appear on the ballot as questions 1 through 6, and the Charter Revision Commission questions will be 7 through 10.

President Sharkey stated, gentlemen, ladies, people in the audience, I would like to thank you for your work on this. Every Alderman had input into this. There was good discussion in all of the meetings we had on this. I commend you for all your input and all the work you did. We have an explanatory text that went along with the questions from the Charter Revision Commission. We have an explanatory text here to be adopted as part of our meeting tonight.

Alderman Radin MOVED to authorize the development of an explanatory text to be made part of the submission; SECONDED by Alderman Fainer. A voice vote was taken and the MOTION PASSED 10-0.

Adjournment

Alderman Adamowski MOVED to adjourn; SECONDED by Alderman Radin. A voice vote was taken and the MOTION PASSED 10-0.

The meeting adjourned at approximately 7:40 p.m.

Respectfully submitted,

Patricia M. Bruder, Secretary
Ansonia Board of Aldermen