

**Town of Montville Town Council
Special Meeting Minutes for Thursday, January 24, 2013
6:00 p.m. – Town Council Chambers – Town Hall**

1. Call to Order
Chairperson Buebendorf called the meeting to order at 6:00 p.m. after establishing a quorum.
2. Pledge of Allegiance followed by a moment of silence in honor of our military.
3. Roll Call
Present were Councilors Caron, Jaskiewicz, Jones, Longton, McFee, Tanner, and Buebendorf. Also present was Mayor Ronald McDaniel.
4. Remarks from the public relating to matters on the agenda with a three-minute limit — none.
5. Executive Session
 - A. To Consider and Act on a motion to enter into Executive Session for the purpose of interviewing candidates for the bond counsel. Discussions to include members of the Town Council, Mayor Ronald McDaniel, and Finance Director Theresa Hart.

Motion made by Councilor Longton, seconded by Councilor Jaskiewicz. Discussion: None. Voice vote, 7-0, all in favor. Motion carried. Invited parties exited Chambers for Executive Session at 6:02 p.m., returning at 7:17 p.m. Chairperson Buebendorf resumed the meeting and stated that no formal votes were taken during the executive session.
 - B. To Consider and Act on a motion to enter into Executive Session for the purpose of interviewing Steven Loiler for reappointment to the Public Safety Commission. Discussion to include members of the Town Council and Mayor Ronald McDaniel.

Motion made by Councilor Tanner, seconded by Councilor Jones. Discussion: None. Voice vote, 7-0, all in favor. Motion carried. Invited parties exited Chambers for Executive Session at 7:18 p.m., returning at 7:27 p.m. Chairperson Buebendorf resumed the meeting and stated that no formal votes were taken during the executive session.
6. Presentation by Mr. Dave Aldridge, Executive Director, Southeastern Connecticut Regional Resource Recovery Authority (SCRRA)

SCRRA was formed in 1985 with a total of 12 communities and the signing of a 30-year Municipal Service Agreement (MSA). At this time, SCRRA also invested their funds in a 30-year bond issue allowing them to create a waste energy plant in Preston. Currently, the plant burns 270,000 tons of garbage annually / 700 tons daily. The trash is reduced in volume by 90% and the resulting ash is transported to a landfill in Putnam. As of this year, the state of Connecticut is the only state in the union with no municipal landfills. One of the primary reasons of this is due to such investment plans like this one to take care of waste removal. In addition, the facility generates up to 20 megawatts of electricity per year. This electricity is sold to CL&P and the sale helps to offset the plant's operating costs. This, in turn, keeps the price of the disposal of trash at a minimum. SCRRA is run on a day-to-day basis by a small and efficient staff of five individuals who report to the Board of Directors, which is made up of Town Selectmen, Mayors, and Public Works employees.

Contractually, there exists a 30-year Municipal Service Agreement between SCRRA and each community. This agreement runs concurrently with a 30-year bond issue and a 30-year contract with Covanta Energy, the operating plant. All three agreements are slated to expire on November 15, 2015. SCRRA also has a Power Purchase Agreement with CL&P. The contract contains a pre-set set of rates for electricity that is generated from the plant and

began when the plant began operation. Due to construction delays, the plant began operating 15 months later and is slated to expire in February 2017. As such, they are currently in an ideal situation in which their bond debt is set to retire while their contract with CL&P continues for 15 months thereafter. This position will allow them to inexpensively maintain the operation far into the future.

The benefit that SCRRRA brings to the municipality includes, first and foremost, price stability. Tipping fees have been maintained or lowered for the past 12 years and is the most favorable rate in the state. Included in the tipping fee is the support for transfer stations with such items as tire disposal, oil/anti-freeze removal, Freon recycling, and coordination of electronics. In addition, based upon the cost of other Tub Grinding services throughout the state, SCRRRA's Tub Grinder is estimated to have saved the municipalities approximately \$33,0000.00 last year. Furthermore, the Authority was able to negotiate a favorable Single Stream recycling contract in 2010 earning them approximately \$46,000.00 in revenue from the returns of the sales of those commodities. SCRRRA intends to renegotiate its contract with Covanta Energy and begin to look towards their future with the goal of maintaining inexpensive rates. By extending the MSA, the Town of Montville will be able to take advantage of their unique position to avoid the increasing of tipping fees which other municipalities will be subjected.

Councilor Longton inquired about the reasoning behind the upward cost of the tipping fees which SCRRRA is able to avoid. Mr. Aldridge responded that SCRRRA is able to avoid or offset these costs by their reinvestment of funds, their current Power Purchase Agreement with CL&P, and the pending retirement of the bond issue. Other municipalities are saddled with the rising costs of transportation expenses and fuel, among other things, and are not able to offset those costs through their current contracts.

Mayor McDaniel commended his predecessors and SCRRRA management for a phenomenal job in managing the operation. While they have been the benefactors of fortuitous timing, it is a group of very savvy individuals who took advantage of the opportunity and managed them very well and making very prudent deals resulting in this unique position for Southeastern Connecticut in which they are now able to lower their tipping rate and enter into their contract in a good, stable position. Mr. Aldridge agreed and added that the foresight and good investments of the Board have put them in a very favorable position.

Councilor Jaskiewicz questioned the move towards privatization occurring in other areas. Mr. Aldridge noted that there have been movements towards privatization, Hartford being one area, leading the Governor to form a task force to study the handling of solid waste removal and recycling. One of the recommendations was the idea of regionalization in which SCRRRA was presented as the model. Mayor McDaniel added that Southeastern Connecticut is often a model for the state, e.g., Southeastern Connecticut Council of Governments (SCCOG), SCRRRA, and the new Regional Water, all of which are premier in the state and all due to the great leadership of the past. He added their goal is to continue to make a commitment as a municipality to our regional neighbors moving forward.

7. Appointments

- A. To consider and act on a motion to appoint David Jetmore to the Public Safety Commission with a term to expire January 9, 2016.

Motion made by Councilor Longton, seconded by Councilor Tanner. Discussion: None. Voice vote, 7-0, all in favor. Motion carried.

- B. To consider and act on a motion to waive the waiting period for appointments, Rule 14C of the Town Council Rules of Procedure, in order to reappoint Steven Loiler before the next Public Safety Commission meeting.

Motion made by Councilor Jones, seconded by Councilor Longton. Discussion: None. Voice vote, 7-0, all in favor. Motion carried.

- C. To consider and act on a motion to appoint Steven Loiler to the Public Safety Commission with a term to expire January 9, 2016.

Motion made by Councilor Caron, seconded by Councilor Longton. Discussion: None. Voice vote, 7-0, all in favor. Motion carried.

8. New Business

- A. Resolution #2013-05. THE TOWN OF MONTVILLE HEREBY RESOLVES to award the bond counsel services contract to Updike, Kelly & Spellacy, P.C. and for the Town of Montville and further, to authorize the Mayor to execute an agreement for same.**

Motion made by Councilor Tanner, seconded by Councilor Jones. Discussion: Councilor Jaskiewicz felt that all three firms presented themselves very well during the interview, but UKS did a a good job and their past experience of working with us has helped out. Councilor Caron agreed, but felt that we should use local firms. Roll call vote, 6-0-1, Voting in favor: Councilors Jaskiewicz, Jones, Longton, Tanner, and Buebendorf. Voting in abstention: Councilor Caron. Voting in Opposition: None. Resolution adopted.

- B. Resolution #2013-06. THE TOWN OF MONTVILLE HEREBY RESOLVES to consider and act on a Resolution entitled “Resolution with respect to the authorization, issuance and sale of not exceeding \$10,000,000 Town of Montville General Obligation Refunding Bonds.”**

Motion made by Councilor Jones, seconded by Councilor Longton. Discussion: Mayor McDaniel clarified that the resolution refers to refinancing some bonds at a lower interest rate. Roll call vote, 7-0, Voting in favor: Councilors Caron, Jaskiewicz, Jones, Longton, Tanner, and Buebendorf. Voting in Opposition: None. Resolution adopted.

- C. Resolution #2013-07. THE TOWN OF MONTVILLE HEREBY RESOLVES to extend the contract with Southeastern Connecticut Regional Resource Recovery Authority (SCRRA) and further, to authorize the Mayor to execute an agreement for same.**

Motion made by Councilor Jones, seconded by Councilor Longton. Discussion: None. Roll call vote, 7-0, Voting in favor: Councilors Caron, Jaskiewicz, Jones, Longton, Tanner, and Buebendorf. Voting in Opposition: None. Resolution adopted.

9. Remarks from the Public with a three-minute limit — none.

10. Remarks from the Councilors — none.

11. Remarks from the Mayor — none.

12. Adjournment

Motion made by Councilor Longton, seconded by Councilor Tanner, to adjourn the meeting at 7:47 p.m. Discussion: None. Voice Vote, 7-0, all in favor. Meeting adjourned.

Respectfully Submitted by:

Agnes Miyuki, Recording Secretary for the Town of Montville

AN AUDIO RECORD OF THE MEETING IS ON FILE IN THE MONTVILLE TOWN CLERK'S OFFICE

**TOWN OF MONTVILLE, CONNECTICUT
TOWN COUNCIL**

**RESOLUTION WITH RESPECT TO THE
AUTHORIZATION, ISSUANCE AND SALE OF NOT EXCEEDING
\$10,000,000 AGGREGATE PRINCIPAL AMOUNT OF TOWN OF
MONTVILLE GENERAL OBLIGATION REFUNDING BONDS**

WHEREAS, Section 7-370c of the Connecticut General Statutes provides authority for any municipality to issue refunding bonds for the payment, funding or refunding of bonds, notes or other obligations previously issued; and

WHEREAS, Section 7-370c provides that such refunding bonds shall be authorized and issued by resolution of the legislative body of the municipality; and

WHEREAS, the Town of Montville, Connecticut (the "Town"), desires to refund all or any portion of any one or more series of the Town's outstanding general obligation bonds (the "Prior Bonds").

NOW THEREFORE, BE IT RESOLVED,

(1) That the Town issue its general obligation bonds in the aggregate principal amount of up to \$10,000,000 (the "Bonds") to refund certain of the Prior Bonds and to finance such additional amounts as are needed to pay all fees, costs, expenses and redemption premium, if any, in connection with the refunding of the Prior Bonds and the authorization, issuance and sale of the Bonds, including, but not limited to, legal, advisory, printing and administrative expenses, underwriter's discount, and expenses in connection with credit enhancement, if necessary, and the proceeds of the Bonds be appropriated for the foregoing purposes; provided, however, that the refunding of the Prior Bonds provides a net debt service savings to the Town and that the amount of the Bonds issued does not exceed the amount needed to refund the Prior Bonds and to pay the costs authorized herein.

(2) That the Mayor and the Director of Finance of the Town (the "Officials") are hereby authorized to determine the date, rates of interest, principal payment amounts, maturities, dates of principal and interest payments, the form of such Bonds, the provisions for protecting and enforcing the rights and remedies of the holders of such Bonds and such other terms, conditions and particular matters regarding the Bonds and the issuance and securing thereof, all in accordance with the Connecticut General Statutes and the Charter of the Town, and to take such actions and execute such documents including, but not limited to, a contract of purchase, to provide all supporting documentation as may be necessary or desirable to accomplish such purposes and to comply with the requirements of the Internal Revenue Code of 1986, as amended, U.S. Securities and Exchange Commission Rule 15c2-12, and any other applicable provision of law thereto enabling. The Bonds authorized hereby shall be general obligations of the Town secured by the full faith and credit of the Town.

(3) That the Bonds shall be signed by the Officials either by their genuine signatures or by facsimiles of such signatures printed on the Bonds and that the law firm of Updike, Kelly & Spellacy, P.C., Hartford, Connecticut, is designated as bond counsel to render an opinion approving the legality of the issuance of the Bonds.

(4) That the Officials are hereby authorized to designate a bank or trust company to be the certifying bank, registrar, escrow agent, transfer agent and paying agent for such Bonds; to provide for the keeping of a record of the Bonds; to designate a financial advisor to the Town in connection with the sale of the Bonds; and to designate an underwriter in connection with any negotiated sale and purchase of the Bonds.

(5) That the Officials are authorized to sell the Bonds at a public or negotiated sale; to deliver the Bonds and to perform all other acts which are necessary or appropriate to issue the Bonds; to make representations and covenants on behalf of the Town for the benefit of the holders of the Bonds to provide secondary market disclosure information in accordance with U.S. Securities and Exchange Commission Rule 15c2-12, as it may be amended from time to time, including, but not limited to, executing and delivering a continuing disclosure agreement; their respective approvals to be conclusively evidenced by their signature on any such agreements relating thereto.

(6) That the Officials are authorized to refund the Prior Bonds from the proceeds of the Bonds and other moneys as they may determine to make available for this purpose, and to defease the Prior Bonds by executing and delivering an escrow agreement in such form and upon such terms as they shall approve, such approval to be conclusively evidenced by their execution thereof.

(7) That the Officials are hereby authorized on behalf of the Town to make such representations and covenants for the benefit of the holders of the Bonds which are necessary or appropriate to ensure the exemption of interest on the Bonds from taxation under the Internal Revenue Code of 1986, as amended, including, but not limited to, covenants to pay rebates of investment earnings to the United States in future years; their respective approvals to be conclusively evidenced by their signature on any such agreements relating thereto.

(8) That the Officials be authorized to designate other officials or employees of the Town to take such actions and execute such documents, as are determined to be necessary or advisable and in the best interests of the Town in order to refund the Prior Bonds and to issue, sell and deliver the Bonds, and that the execution and delivery of such documents shall be conclusive evidence of such determination.