

DERBY BOARD OF ALDERMEN REGULAR MEETING

DERBY CITY HALL – FEBRUARY 26, 2009 – 7:00 P.M.

MINUTES

The Honorable Mayor Anthony Staffieri called the public hearing to order at 7:00 p.m. All rose and pledged allegiance to the flag.

Roll Call

Present: Kenneth Huges, James Allaire, Scott Boulton, Joseph Bomba, Anthony Szewczyk, Ronald Sill and Beverly Moran.

Absent: David Lenart, and James Benanto.

Also Present: Glenn Stevens – Redevelopment Agency member, Louise Pitney – Registrar of Voters, Carolyn Duhaime – Board of Apportionment and Taxation Chair, Laura Wabno – City/Town Clerk, Philip Robertson – Chief Administrative Officer, Sheila O'Malley – Director of Economic Development and Joseph Coppola – Corporation Counsel.

Additions, Deletions, Corrections to the Agenda

Mr. Hughes would like to add as 15a Bid Waiver for land communications; discussion and possible action, as item 17 employee waiver for Board of Education member James Stadt as soccer coach and move adjournment to item 18.

A MOTION to approve the agenda with additions by Beverly Moran, second by James Allaire, all in favor. **Motion carried.**

Public Portion

Mr. Lionetti – 79 Sunset Drive. Mr. Lionetti said Derby is building a state of the art middle school which is amazing and proud for Derby, but then the sixth, seventh and eighth graders will be going from a state of the art building to a building built in 1968. Mayor Staffieri said the City cannot put the high school kids in the new building as it is designed for sixth, seventh and eighth graders. Somewhere in the future, something will have to be done. Mr. Lionetti also wanted to know if Bradley Scholl is going to be closed. The Mayor responded no.

Dan Waleski – 21 Elm Street. Mr. Waleski suggested the Gilbert Street area should be mapped along with all other areas such as two mile brook.

Public Portion closed.

Mr. Hughes wants the public to know that residents can call the Aldermen in between Aldermen meetings if they have questions on anything. Mayor Staffieri said this is an open administration and anyone can come and ask him any questions.

Mr. Hughes had three letters to be read into the record. One is regarding Mary LaBranche's work efforts in the absence of a clerk of the works, submitted by Mr. Edward Brickett – President on the Commission of the Elderly.

To: Mayor Anthony Staffieri

Members of the Board of Aldermen

The members of the Commission of the Elderly would like it to be known that Mary LaBranche, director of the Derby Senior Center, has performed duties far beyond those listed on her job description during the recent renovations at the Center.

Since there was no Clerk of the Works or construction site person assigned by the City to oversee this project, Mary willingly assumed the responsibility to meet with insurance contractors and numerous independent contractors who were hired to perform specific contractual jobs. She was the person whom contractors relied on to review plans, make design decisions, answer pertinent information and monitor the progress of the project that continued for one year.

The added duties that Mary voluntarily assumed often required her, and the office staff, to enter the building at 7:00 a.m. and to keep the building open for the workers.

As members of the Commission, we realize and appreciate the extra responsibilities and time Ms. LaBranche provided in order that the project be completed to satisfaction. We deem it is important that city officials be mindful of her accomplishments and of the genuine interest she has in the Center that has been demonstrated by the additional duties she has so willingly performed.

Sincerely,

Edward Brickett, President

Commission Members: Stacia Balko, Bonnie Chevarella, Marion Cafasso, Virginia Costigan, Shirley Erickson and Donald Klisher

Secondly, a letter submitted by Charles R. McManus Jr. – Racecar Driver; CRM Motorsports, LLC to commend Officer Charles Stankye for his assistance in fingerprinting children using Child ID kits provided by NCMEC.

Attn: Mayor Anthony Staffieri,

Re: Derby Police Officer Charles Stankye

Dear Mayor Staffier:

My company, CRM Motorsports, partnered with The National Center for missing and Exploited Children and the Derby Bureau of Youth Services to sponsor a booth at Derby Day on Saturday, June 21st. As you are aware, Officer Charles Stankye worked with us fingerprinting children using Child ID kits provided by the NCMEC.

I would like to take this opportunity to commend Officer Stankye on his professionalism, courteousness and his terrific interaction with the children. Officer Stankye was patient and kind and fingerprinted over 130 children.

I, Together with my whole team, would like to thank officer Stankye for his commitment to our cause and his commitment to keeping children safe in our town and community. The City of Derby is very lucky to have such a dedicated officer.

Very truly yours,

Charles R. McManus, Jr.
Racecar Driver
CRM Motorsports, LLC

Lastly, is from Charles M. Stankye, III – Asst Scout Master on behalf of Dennis O’Connell head of the recreation department and Martin Hubbard – center employee for their cooperation allowing the scouts to work on swimming and life saving merit badges during the year.

Dear Mayor Staffieri,

I would like to bring your attention to one of your department heads, Mr. Dennis O’Connell the head of the recreation department. On behalf of the scouts at Troop 3 and the leaders, we’d like to commend Mr. O’Connell for his invaluable assistance to the Troop through the year. The scouts often work on swimming and livesaving merit badges during the year. Whenever the boys need to do in-water activities, all I have to do is give Dennis a call and he bends over backwards to accommodate us. Dennis lets the scouts use the pool facilities at the Veteran’s Community Center to work on their merit badges. An employee at the Center, Mr. Martin Hubbard is always accommodating when we arrive at the pool. He makes every effort to ensure the boys are finished with their work before closing the pool; even if it means staying a little later.

Both of these men are a credit to the City of Derby. They set an example of what municipal employees should be. If there is any type of commendation you can award these two gentlemen or note in the personnel file, I recommend that it be done. Would you also please inform the Board of Alderman of this letter, issue a copy for each Alderman’s pack so it can be read into the record at their next meeting.

If there is anything Troop 3 or myself can do for you or the City of Derby, Please don’t hesitate to call.

Yours in Scouting,
Charles M. Stankye, III
Asst. Scout Master.

Alderman James Allaire read the following e-mail which he received into the record:

Jim,

Once again the law abiding citizens of Derby are about to take it on the chin.

The dog owners who use the Greenway and cleaning up after their pets will get punished and those who are not cleaning up are not going to care because they do not care now. As you know we have the very same issue in our neighborhood.

We have a dog that is allowed to roam, using any yard he happens to be in at the time as a place to poop. A couple of weeks ago he was out all night barking and I finally did have to call the police at 3:00 am. They responded quickly but he was gone and the police stopped at my house saying they saw the dog roaming, asked if we knew who owned it and if he was mean, but yet he is still wandering the streets. Again this is not the dogs fault, not my fault and not the fault of the other dog owners who leash and clean up after their dogs, but it seems that my pet is going to be banned from existence because the system that is here to protect our rights finds it easier to ban something then take the battle to the wrong doers.

I know this seems like a trivial matter, but right is right and wrong is wrong and where do we draw the line.

Steve Chuka

State of the City Address – Mayor Anthony Staffieri

Mayor Staffieri addressed all those present with his State of the City address:

Good Evening

It is my honor to be before you to share with you the state of our city in the recently ended fiscal year and beyond.

The state of our country is not good.

The state of our State is not good.

The state of Derby, at this moment, is good. Very Good.

The people of Derby have given us the responsibility of overseeing their city. It is our responsibility to move their City in a positive direction providing the best of services for the least amount of money. It is also our responsibility to keep their government in good financial order.

We, as a team, have kept our commitment to the people.

As the Board of Aldermen, you have been my partner. You have joined with me giving your expertise, your advice, and your dedication. Without your partnership our city would be substantially less well off.

Each of you has my respect and deep appreciation.

In a time of massive corporate and governmental layoffs, weakening economic conditions, dwindling savings and retirement accounts, the City of Derby once again had a solid performance in Fiscal Year 2008.

The City's fund balance is strong, and ended at 8.34% of the general fund operating expenses. Right where the rating agencies expect it to be in order to maintain or improve our bond rating of A+ with Standard and Poor's and an A2 rating with Moody's.

We ended last fiscal year, a difficult fiscal year for many, with a strong financial operating surplus and were able to replenish the fund balance the monies that were paid out over the last three years for the settlement on the tragic fire on Caroline Street in the 1990's. This is a solid position to be in as we sail into uncharted waters, an economic sea that looks much different today then it did just a few short months ago. A few months ago, it was clear sailing, the seas were calm, and times were good. Today, we are in the midst of a global economic storm. The skies are dark and gloomy, and the storm is striking through out this great country, state, and neighboring towns. Today, it is more critical then ever, that we have reserves in the gas tank to power our ship through the rough times, making certain that our taxpayers are safe and protected, both from a fiscal and quality of life perspective.

Our continued Capital Plan is making the necessary investments in the city's infrastructure, saving the taxpayers money in the long term by maintaining what we have today. This is another expectation that satisfies the investment community and rating agencies as an indicator of success.

We have continued to keep the City's debt in check, minimizing the interest costs that future generations will end up paying. Our debt, as a percent of expenditures, is 5.57 %, which is below the Moody's rating guideline of 10%. It is also well below the Standard and Poor's guideline of 15%. Derby's debt position is viewed as low, and has been recognized by the investment community as a quality indicator for Derby.

Our Cash Management program once again performed well, and resulted in higher than expected returns, which results in a net savings to the taxpayers. There is strong liquidity in the General Fund with a cash balance of approximately \$3.1 million dollars, a liquidity ratio of 63%, which is strong. This performance was the result of a very strong market, and prudent cash management, and well received by the investment community.

Department heads contributed to our strong performance by spending taxpayer's money for necessary items, and if something was not needed, returned unexpended funds. NO more "if you have it, spend it" attitude. Those days are over. This contributed to ending the fiscal year with a strong operating surplus.

We have a diverse tax base, a sound and prudent financial position, and a moderate debt position. All indicators of financial success as viewed by the rating agencies and investment community. We are well positioned as we enter these difficult times.

We have maintained a steady but aggressive style of leadership and it is paying off.

Since becoming Mayor, I have focused on being business friendly.

Business and the jobs they create and the tax revenue they provide only enhances the atmosphere and quality of life for all residents of our city.

I have created a one stop shop procedure where all building officials, planning and zoning personnel, inland wetlands staff and the city engineer sit with the potential builder or developer to work out all potential problems. This keeps the potential job creator from running from one department to another getting different messages and directions.

Pat Charmel and Griffin Hospital wanted to build a cancer center. I think Pat will agree we did everything possible to create an environment to quickly approve their project and allow it to be built, certainly in a shorter period of time than anywhere else in the state.

I believe Lowes would agree that Derby does its absolute best in moving a desired project along.

Starbucks does substantial location research before building a store. Their research led them to Derby. Not an easy location for many reasons but with the City working with them to overcome State of Connecticut and Dot obstacles, Starbucks is now a tax payer in our city.

Game Stop found Derby a desirable placed to do business so they are now part of our family.

We have completed the exterior renovation of the Sterling Opera House. A Million dollar project which has now protected the building from any further deterioration.

Shortly, we will begin the design for the interior of the Opera House always with the vision of the complete restoration of one of the most historical buildings in Connecticut.

Tonight you will consider allowing the voters to express their view in a referendum concerning the City and Town Development Act. If you place this item before the voters and they approve the use of this tool, the Sterling Opera House would be a perfect candidate.

Imagine how a functioning Opera House would change the activity of our downtown.

We have just completed a long awaited \$400,000 renovation of our Senior Center.

We are presently working with a developer to turn around a contaminated piece of property into building 18,000 square feet of warehouse space.

We have secured federal money for half the cost of building an access road into our DOT industrial park and we are close to working out a deal with the governor with the State providing us with the additional 50%. We have a number of seriously interested companies awaiting the opening of that park. Companies who will produce Jobs and Tax dollars.

We have succeeded in attracting a new owner to the old Dodge Dealership site on New Haven Avenue. This will now become a retail and wholesale operation for frames, posters and tee-shirts. The owners have already improved the interior and exterior of the building. Again Jobs and Taxes.

The city, for the first time in some 40 years, is nearing completion of a new \$28 million middle school. The Middle School Construction Project is on schedule and well below budget. In addition to the savings, contingencies are being carried to protect the City for any unknown costs that arise during construction. This project is being managed by a team of members with diverse skills, construction, inspection, finance and project managers. This team, appointed by me and confirmed by you, has proven to be extremely competent.

We have prudently used city funds for necessary capital purchases. The new roof on our Police headquarters, a new roof on the picnic grove, repairs to all of our fire houses, police vests and substantially improved technology within our schools.

The BrickHouse restaurant recently opened and business is very active.

The River Restaurant didn't skip a beat. It reopened under new ownership and is nearing the completion of its restoration.

Valley Diner is continuing its long tradition in Derby through a massive interior and exterior renovation.

I am also pleased to tell you Connie's Restaurant is doing well, even without me as her owner.

Walmart renovated nearly 30,000 square feet to improve the quality and Quantity of its products.

We succeeded in working with our Police Department to secure funding for additional bike patrol and training of our officers making Derby safer and more secure.

Our Halo area is presently moving forward with four city owned buildings being demolished. The dreams of making the Halo project a reality would also be realistic if you and the people were to give us the tools provided by the City and Town Development Act.

Our Blight Officers, anti-graffiti ordinances and efforts to remove blight have paid off and are improving the aesthetics of our community, making it more attractive for both residents and businesses.

We have established a Youth Bureau and a Youth Liaison in the Mayor's office to help prevent our children from entering into the juvenile justice system. John Saccu works with our Police Department and the Board of Education to create the needed connection between our city and its children.

The Valley Arts Council and the Derby Cultural Commission are joining forces in their new home, the former Spooner House which I envision as a new and growing arts and cultural center.

The design of the next phase of the greenway is continuing and that 1.2 million dollar expansion should be underway shortly.

The new Dollar Store is now open and has created a number of new jobs.

As you know, when we came into office, we were given a downtown development contract that was unworkable. We made every attempt to move the project along but the agreement, signed by the previous Mayor and Board of Aldermen, left us with our hands tied behind our backs. We have terminated that contract and have been moving forward.

We have solicited Requests for Qualifications in September of 2008 and over 20 developers expressed interest in the site and came to speak with me about it. I have had numerous meetings with the developers exploring many creative ideas to redevelop this land. I was encouraged by the positive feedback which initially occurred in response to my RFQ. Unfortunately, the RFQ's were received in one of the worst economic downturns the country has witnessed. The RFQ's are due next month and I am still hopeful we may have someone who is financially capable of turning this site around. Please be assured, that my administration and I are doing everything possible to come up with an option for downtown. We are determined to find the solution to a problem we did not create

We have marketed our available city owned property and receive calls daily from businesses interested in relocating to Derby. We have a great location and sight visibility. We are affordable and attractive. Our small city atmosphere translates into a friendly and welcoming environment.

It is an exciting time for Derby and we should be pleased with what we have done in a short period of time. It seems we have been bucking the economic trends found elsewhere. With the worlds economy in distress we, to this date, are going in the opposite direction.

I wish I could tell you all this has happened easily but you all know that isn't the case. Each and every one of these projects has had their obstacles but we have been able to overcome each and every one of them.

How does the future look?

The city of Derby is not certain what is beyond the next turn in the economy.

We know from the presentation of Governor Rell's budget, the State is in negative economic growth. We don't know how much money will be cut from her budget. We don't know if the educational cost sharing grant and the PILOT grant program will be cut. These two programs represent a substantial amount of revenue to the City of Derby.

The State's current fiscal year estimates now project a \$1.3532 billion dollar shortfall. We are concerned if the state, in bringing its budget into balance, were to cut aid to the cities. The Governor, who has left aid to the cities at current levels, has suggested cuts in spending to the General Assembly to balance this year's state budget and it is now in the hands of our legislators.

We continue to monitor our collection of revenue and at the end of the first week of February it seems we will end our fiscal year close to a balanced budget. As a precaution, my financial team has been meeting to prepare a list of potential cuts in our spending if our or the state's revenues drop below expected amounts.

The State of Connecticut is presently estimating deficits of 3.9685 billion dollars in their next year's budget, 4.7121 billion dollars for the 2011 fiscal year and 4.8221 billion dollars deficit in fiscal 2012.

These are serious shortfalls. I mention these figures because the City of Derby receives substantial money from the state principally for the education of our children.

We can only hope the Governor and the State Legislature can solve their problems without causing the cities and towns to raise property taxes to make up for potential state cuts in municipal aid. The Governor has proposed no cuts in our major items of municipal aid. We can only hope the General Assembly agrees with her.

If, in solving its budgetary problems, the state cuts aid to cities, our picture could change drastically.

I do not believe, in this economy, taxes should be raised and thus we are preparing to deal with any negative economic news.

Turn on your television, listen to your radio, read your newspaper or review the news on the internet. It is as if chicken little is running around screaming the sky is about to fall. We hear terms like recession and now even depression. Read of the nationalizing of our banking system from our own US Senator. Listen to the partisanship and the blame game going on in Washington and Hartford.

Well, let me assure you

Chicken Little isn't coming to Derby.

Lady and gentlemen of this Board of Aldermen, to all elected and appointed officials of Derby, and most importantly, to each and every citizen, your elected government is well prepared to address each and every issue it confronts.

Regardless of any turns in the economy, we are prepared to take action. Action to retain the quality of life the people expect.

If the severe economic downturn occurs, we are prepared to take the necessary steps to protect our way of life.

If revenues from the state are cut we will make the necessary adjustments. If major cuts in spending are necessary, we will make those cuts. As much as we would wish not to have layoffs, if they are necessary we will make those difficult decisions.

The people of Derby deserve no less.

Thank you

Approval of Minutes

Regular meeting January 22 2009

A MOTION was made to accept by Ron Sill, with a second by Ken Hughes, all in favor.
Motion carried.

Public Hearing February 19 2009

A MOTION was made by Joe Bomba to accept with a second by Beverly Moran, all in favor. **Motion carried.** Ron Sill abstained.

Special meeting February 19 2009

A MOTION was made to accept by Beverly Moran with a second by Joe Bomba, all in favor. **Motion carried.** Ron Sill abstained.

Committee Reports: Community Relations

Mr. Szewczyk said 103 Hawkins will now be placed on the blight list. The committee is still looking in to the flooding on Gilbert Street and will have a report for the aldermen and residents to comment on at the next meeting. Also there was a concern of no heat at the dog pound, and that was not true. The pound meets all standards for Connecticut.

A MOTION by Mr. Hughes to add 103 Hawkins Street to the blight list, second by Mr. Sill, all in favor. **Motion carried.**

Department Reports:

- a. Board of Education Report – no one present tonight, there is a Board of Education meeting being held.
- b. Cultural Commission Report – Rich DiCarlo presented his report. The report included the reduction of the number of summer concerts, capping of band salaries at 80% of last year's fees, advertisements and applications have been sent out for Derby Day and a new Derby Farmer's Market is in progress.
- c. Public Works Report – Ron Culmo presented his report. Among issues in the report; the garbage run and policing the river walk occurs three times a week, they are filling potholes throughout town and broken curbing from plowing is being

- removed. Mr. Culmo also gave an update on the river walk problems. There are 52 broken railings and a section of page fence was removed near Route 34. Dog feces is increasing. The doggie bag holders are filled at all times.
- d. Building/Facilities Inspector Report – Dave Kopjanski presented his report. Mr. Hughes reviewed the blight list and saw there are seven properties to be removed from the blight list: 14-16 Cottage Street, 239 Elizabeth Street, 192-194 Minerva Street, 12 New Haven Avenue, 18-22 New Haven Avenue, 286 and 290 Roosevelt Drive and 41 Smith Street. **A MOTION** by Mr. Sill to remove the properties from the blight list with a second by Mr. Szewczyk, all in favor. **Motion carried.** Mr. Kopjanski also informed the board that work is on-going to clean up the west side of Derby Avenue and thanked the Mayor for his help with the task force which has helped. Ms. O'Malley, Mr. Culmo, Mr. Korolyshun, Annex which has provided dumpsters, UI who has cut trees and all for free and has been a great help. Mr. Szewczyk asked if the Onopiak property could be considered for use as a dog park. Mr. Kopjanski said the property is to be used as a passive recreational purposes and cannot be used as a kennel. Fire Marshall Report – Mr. Hawks presented his report. The report is good, no questions from the board members.
 - e. Fire Department Report – Mr. Curtis is not present.
 - f. Police Report – Chief Mascolo presented his report. The Chief congratulated the Mayor on the State of the City address. It is amazing to see all that has been accomplished. There was a low level bomb threat at the high school and Dr. Tracy did a great job in handling the situation. He also commended the efforts undertaken with the greenway. Parking Authority Report – Mr. Moscato's report was reviewed. Good job, no need for questions.

Refund of Excess Taxes thru - \$3,568.78 – Cinda Buchter Mr. Hughes said there is an additional refund added bringing the total to \$5,317.91. **A MOTION** was made to approve the refund of excess taxes by Mr. Bomba, second by Mr. Boulton, all in favor. **Motion carried.**

School Building Committee Invoices; Discussion and Action

FIP Construction Inc – invoice # 08001.11 - \$1,422,976.00 **A MOTION** was made by Mr. Bomba, second by Mr. Szewczyk, to approve payment of the invoice, all in favor. **Motion carried.**

Test-Con, Inc. – invoice #5235 - \$3,713.00 **A MOTION** was made by Mr. Bomba, second by Mr. Sill to approve payment of the invoice, all in favor. **Motion carried.**

GNBC – invoice #17116 - \$4,716.50 **A MOTION** was made by Mr. Bomba, second by Mr. Sill to approve payment of the invoice, all in favor. **Motion carried.**

Fee Waiver – Cub Scout Troop Derby, Dan Cyrul – June 8, 2009 – Coon Hollow Park

Mr. Dan Cyrul, of the Cub Scouts, would like to reserve Coon Hollow Park June 8, 2009. He would like the fee of \$250.00 be waived. **A MOTION** by Ms. Moran to waive, second by Mr. Sill, all in favor. **Motion carried.**

Girl Scout Week 2009 – Proclamation & Adoption

The proclamation was read into the record:

2009 Girl Scout Week Proclamation

WHEREAS, March 12, 2009, marks the 97th anniversary of Girl Scouts of the USA, founded by Juliette Gordon Low in 1912 in Savannah, Georgia; and,

WHEREAS, throughout its distinguished history, Girl Scouting has inspired millions of girls and women with courage, confidence, and character to make the world a better place; and,

WHEREAS, through the Girl Scout Leadership Experience girls develop the skills and lessons that will serve them throughout their lives so that they may contribute to their communities; and,

WHEREAS, Girl Scouting takes an active role in increasing girls' awareness of the opportunities in math, science, sports, technology, and many fields of interest that can expand their horizons; and,

WHEREAS, more than three million current Girl Scout members nationwide will be celebrating this American tradition, and welcome girls from every background to join;

NOW, THEREFORE, I Anthony Staffieri, by virtue of the authority vested in me as Mayor of the **City of Derby**, do hereby applaud the commitment Girl Scouting has made to support the leadership development of America's girls and proudly proclaim the week of March 8, 2009, as Girl Scout Week.

A MOTION by Mr. Hughes to adopt the proclamation, second by James Allaire, all in favor. **Motion carried.**

Family Day Proclamation 2009 and Adoption

The proclamation was read into the record:

FAMILY DAY

A Day to Eat Dinner with Your Children

WHEREAS, the use of illegal and prescription drugs and the abuse of alcohol and nicotine constitutes the greatest threats to the well-being of America's children;

WHEREAS, 14 years of surveys conducted by the National Center on Addiction and Substance Abuse (CASA) at Columbia University have consistently found that the more often children and teenagers eat dinner with their families the less likely they are to smoke, drink and use illegal drugs;

WHEREAS, frequent family dining is associated with lower rates of teen Smoking, drinking, illegal drug use and prescription drug abuse;

WHEREAS, the correlation between frequent family dinners and reduced risk for teen substance abuse is well documented.

WHEREAS, parents who are engaged in their children's lives – through such activities as frequent family dinners – are less likely to have children who abuse substances;

WHEREAS, family dinners have long constituted a substantial pillar of family life in America:

Now, therefore, I, *Anthony Staffieri*, Mayor of the City of Derby, Connecticut do hereby proclaim the fourth Monday of every September as:

Family Day – A Day to Eat Dinner with Your children

and urge all citizens to recognize and participate in its observance.

Anthony Staffieri
Mayor

February 26, 2009

A MOTION to adopt the proclamation by Mr. Hughes, second by Mr. Bomba, all in favor.
Motion carried.(A copy of the proclamation is included with these minutes)

Resolution of the Board of Aldermen of the City of Derby:
Authorizing the issuance of refunding bonds for payment of all or a portion of the outstanding principal of and interest and any call premium on the City of Derby's \$5,460,000.00 general obligation bonds, issue of 1998, and costs related thereto.
Discussion and possible action.

The following resolution was read into the record:

**RESOLUTION OF THE BOARD OF ALDERMEN
OF THE CITY OF DERBY**

AUTHORIZING THE ISSUANCE OF REFUNDING BONDS FOR PAYMENT OF ALL OR A PORTION OF THE OUTSTANDING PRINCIPAL OF AND INTEREST AND ANY CALL PREMIUM ON THE CITY OF DERBY'S \$5,460,000 GENERAL OBLIGATION BONDS, ISSUE OF 1998, AND COSTS RELATED THERETO

RESOLVED,

(a) That the City of Derby issue its refunding bonds, in an amount not to exceed THREE MILLION DOLLARS (\$3,000,000), the proceeds of which are hereby appropriated: (1) to fund one or more escrows, and to apply the balance held in such escrows, together with the investment earnings thereon, to the payment in whole or in part, as to be determined by the Mayor and the Treasurer of the City, of the outstanding principal of and interest and any call premium on the City's \$5,460,000 General Obligation Bonds, Issue of 1998 (consisting at original issue of \$1,000,000 Sewer Bonds and \$4,460,000 General Purpose Bonds), including the payment of interest accrued on said bonds to the date of payment, and (2) to pay costs of issuance of the refunding bonds authorized hereby, including legal fees, consultants' fees, trustee or escrow agent fees, underwriters' fees, bond insurance premiums, net interest and other financing costs and other costs related to the payment of the outstanding bonds described above. The refunding bonds shall be issued pursuant to Section 7-370c of the General Statutes of Connecticut, Revision of 1958, as amended, and any other enabling acts. The bonds shall be general obligations of the City secured by the irrevocable pledge of the full faith and credit of the City.

(b) That the Mayor and the Treasurer of the City shall sign the bonds by their manual or facsimile signatures. The law firm of Day Pitney LLP is designated as bond counsel to approve the legality of the bonds. The Mayor and the Treasurer are authorized to determine the bonds to be redeemed and the amount, date, interest rates, maturities, redemption provisions, form and other details of the refunding bonds; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and

paying agent for the bonds and escrow agent with respect to the refunding escrow or escrows to be funded with proceeds of the bonds; to provide for the keeping of a record of the bonds; to sell the bonds at public or private sale; to deliver the bonds; and to perform all other acts which are necessary or appropriate to issue the bonds.

(c) That the City hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that costs of the refunding may be paid from temporary advances of available funds and that (except to the extent reimbursed from grant moneys) the City reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized above for the refunding. The Mayor and the Treasurer are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the City pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(d) That the Mayor and the Treasurer are authorized to make representations and enter into written agreements for the benefit of holders of the bonds to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds.

(e) That the Mayor, the Treasurer and other proper officers and officials of the City are authorized to take all other action which is necessary or desirable to enable the City to effectuate the refunding of all or a portion of the City's outstanding \$5,460,000 General Obligation Bonds, Issue of 1998, and to issue refunding bonds authorized hereby for such purposes, including, but not limited to, the entrance into agreements on behalf of the City with underwriters, trustees, escrow agents, bond insurers and others to facilitate the issuance of the refunding bonds, the escrow of the proceeds thereof and investment earnings thereon, and the payment of the outstanding bonds in whole or in part.

(f) That the above authorization to issue refunding bonds shall lapse on June 30, 2010.

Mr. McLiverty handed out a 40 year curve on treasury yields. He wants to refinance the 2.56 million dollar bonds. However, it cannot extend the life of the bonds. The City can save \$240,000.00 in interest and principal on this bond. If we do this now, it will hit when the school bond hits. After passing this resolution an official statement will be developed to investors in the community. He hopes to go to market in April. **A MOTION** to approve the resolution by Mr. Hughes with a second by Mr. Bomba, all in favor. **Motion carried.**

Bid waiver – Land Based Communications

Mr. Robertson explained the need for the bid waiver. There is only one other company besides our current AT&T who can offer a proposal. One Communication can save the City 30% on their contract. **A MOTION** to waive the bidding process by Mr. Bomba, second by Mr. Szewczyk, all in favor. **Motion carried.**

A vote in favor of the motion by James Benanto and Dave Lenart was received via e-mail on February 27, 2009. **(A copy of their responses is included with these minutes).**

“Town Development Act” – Resolution of the Board of Aldermen of the City of Derby” making findings required to invoke the powers granted under the provisions of the Connecticut City and Town Development Act, Chapter 114 of the Connecticut General Statutes,” as introduced at a meeting of the Board of Aldermen held January 22, 2009; to take action to establish the particulars of a referendum of the electors of the City of

Derby on said resolution; and to authorize the preparation of an explanatory text or other explanatory materials regarding said referendum question. Discussion and action.

Mr. Hughes had comment for the public prior to the next agenda item (Town Development Act). Mr. Hughes said the Act has no negative bearing on the health of the City, and no closed door agreements have been made with developers. Any development will require a public hearing before the Board of Aldermen for any project. The process is fully transparent and is another tool for the City to use. It will likely go for referendum on April 21st.

The following resolution was read into the record:

**“RESOLUTION OF THE BOARD OF ALDERMEN
OF THE CITY OF DERBY
MAKING FINDINGS REQUIRED TO INVOKE THE POWERS GRANTED UNDER THE
PROVISIONS OF THE CONNECTICUT CITY AND TOWN DEVELOPMENT ACT, CHAPTER
114 OF THE CONNECTICUT GENERAL STATUTES**

“WHEREAS, the Connecticut City and Town Development Act, Chapter 114 of the General Statutes of Connecticut, Revision of 1958, as amended (the “Act”), empowers Connecticut municipalities among other things, to make loans, to sell, lease, dispose and use development property, to impose and collect facility charges, to issue notes and bonds, to establish capital reserve funds and to take other actions in furtherance of the purposes of the Act; and

“WHEREAS, prior to the exercise by the City of Derby (the “City”) of any powers granted under the Act, the Board of Aldermen of the City by resolution, following a public hearing thereon, must make certain required findings and determinations as to conditions existing in the City as set out in the Act, and that such conditions are continuing and may be ameliorated by the exercise of the powers granted under the Act; and

“WHEREAS, such resolution must submitted to the electors of the City for approval; and

“WHEREAS, the Board of Aldermen shall hold a public hearing on such resolution on February 19, 2009, at which hearing presentations shall be made regarding the existence and continuation of the aforesaid conditions and the ability of the City to ameliorate such conditions by the exercise of the powers granted under the Act;

“NOW, THEREFORE, RESOLVED,

“(1) That the Board of Aldermen hereby finds, declares and determines that substantially the following conditions exist and are continuing within the City, and that the exercise by the City of the powers granted under the Act may ameliorate such conditions:

- (a)** The existence of substantial and persistent unemployment; that many existing residential, industrial, commercial and manufacturing facilities within the City is either obsolete, inefficient or dilapidated or are located without regard to the master plan of the City; that the obsolescence and abandonment of existing facilities will increase with technological advances, the provision of modern, efficient facilities in other states and the difficulty which the City has in attracting and holding new facilities; and that many existing and planned industrial, manufacturing and commercial facilities are far from or

not easily accessible to the places of residence of substantial numbers of unemployed and underemployed persons; and

(b) The existence of a critical shortage of adequate housing in the City which is the result of declines in new housing starts and the existing large number of substandard, unsafe and unsanitary dwellings; that a large and significant number of residents of the City have been and will be subject to hardship in finding adequate, safe and sanitary housing unless new facilities are constructed and existing housing, where appropriate, is rehabilitated; that unless the supply of housing is increased significantly and expeditiously, a large number of such residents will be compelled to live in unsanitary, overcrowded and unsafe conditions to the detriment of the health, welfare and well being of these persons and of the City or such residents will abandon the City to find suitable housing elsewhere, thus further contributing to the decline of the City; and that by increasing the housing supply in the City and the ability of their residents to obtain decent, safe and sanitary housing, the critical shortage of adequate housing will be ameliorated.

“(2) That the Board of Aldermen hereby further finds, declares and determines that the existence of the conditions described in (1)(a) and (1)(b) above combined with the existence in the City of residential, nonresidential, commercial, industrial, vacant or predominantly vacant areas which are slum or blighted because of substandard, unsanitary, deteriorated or deteriorating conditions accelerate the decline of population in the City, retard sound economic growth and physical development, erode the financial position of the City and its residents by shrinking its tax base, increasing the share of the tax burden which each taxpayer must bear and reducing the incentive for investment in the City, and adversely affect the health, safety, welfare and prosperity of the State of Connecticut and more particularly the people of the City.

“(3) That the Board of Aldermen hereby further finds, declares and determines that, by virtue of its architectural and cultural heritage, its position as a principal center of communication and transportation and its concentration of productive and energy efficient facilities, the City is capable of ameliorating the conditions of deterioration which impede sound community growth and development; that building a proper balance of housing, industrial and commercial facilities and increasing the attractiveness of the City to persons of all income levels are essential to restoring the City as a desirable place to live, work, shop and enjoy life's amenities; that the accomplishment of these objectives is beyond remedy solely by the regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the powers provided by the Act; and that the exercise of the powers of provided by the Act is critical to continuing the process of revitalizing the City and will serve an urgent public use and purpose.

“(4) That the Board of Aldermen hereby further finds, declares and determines the necessity in the public interest and for the public benefit and good of invoking the powers granted under the Act as a matter of legislative determination.

“(5) That the Board of Aldermen hereby further finds, declares and determines that:

(a) An unreasonable number of residents of the City are subject to hardship in finding employment and adequate, safe and sanitary housing;

(b) Conditions of blight and deterioration exist in the City;

(c) Private enterprise is not meeting such need for housing, employment, and the reduction of blight and deterioration;

(d) The need for employment and adequate, safe and sanitary housing will be lessened and the City will be revitalized by the exercise of the powers granted under the Act;

(e) Adequate provisions shall be made for the payment of the cost of acquisition, construction, operation, maintenance and insurance of all real or personal property, interests therein, improvements thereon, appurtenances thereto and air or other rights in connection therewith, including land, buildings, plants, structures, systems, works, machinery and equipment acquired or to be acquired by purchase, gift or otherwise by the City, or by an individual or entity approved by the City as a sponsor financially qualified to own, construct, acquire, rehabilitate, operate, manage or maintain such property in furtherance of the purposes of the Act, and dedicated by resolution to the purposes of the Act (the "Development Property");

(f) A feasible method exists and shall be utilized for the relocation into safe and sanitary dwellings of comparable rent of families and individuals displaced as a consequence of the exercise of any power granted under the Act and such families and individuals shall not suffer disproportionate injuries as a result of actions authorized by the Act for the public benefit;

(g) Development Property shall not be acquired or disposed of without due consideration of the environmental and economic impact of such acquisition or disposition and the adequacy of existing or proposed municipal services; and

(h) The acquisition or disposition of all Development Property shall advance the public interest, general health, safety and welfare, and development, growth and prosperity of the City.

“(6) That this resolution is subject to the approval of a majority of those electors of the City voting at a referendum to be called on this resolution, and shall become effective thereon.

“(7) That the resolution shall be effective for a period of five (5) years from the effective date of the resolution.”

Dated at Derby, Connecticut, this 26th day of February, 2009

A MOTION was made to accept the resolution to go to referendum by Mr. Hughes, second by Mr. Boulton, all in favor, Mr. Sill abstained as he was not at the public hearing. The vote is 6-1, **Motion carried.**

Employment waiver – James Stadt (Board of Education member) as soccer coach.

A MOTION was made by Mr. Bomba to allow Board of Education member James Stadt to coach soccer, second by Mr. Allaire, all in favor. **Motion carried.**

A vote in favor of the motion by James Benanto and Dave Lenart was received via e-mail on February 27, 2009. **(A copy of their responses is included with these minutes).**

Adjournment

A MOTION to adjourn by Mr. Sill with a second by Ms. Moran, all in favor. **Motion carried.**
Meeting adjourned at 8:47 p.m.

Respectfully submitted

*Denise Cesaroni
Recording Secretary*

**THESE MINUTES ARE SUBJECT TO THE APPROVAL OF THE BOARD OF ALDERMEN AT THEIR
NEXT REGULARLY SCHEDULED MEETING.**