

**EAST LYME BOARD OF FINANCE  
REGULAR MEETING MINUTES  
Wednesday, FEBRUARY 8th, 2017**

Members in Attendance: Camille Alberti, Chairperson  
Lisa Picarazzi, Vice Chairperson  
Peter DeRosa  
Beth Hogan  
Jason Pazzaglia  
William Weber

FILED

Feb 14 2017 AT 10:05 AM/PM  
Camille Alberti  
EAST LYME TOWN CLERK

Also In Attendance: Mark Nickerson, First Selectman  
Anna Johnson, Finance Director  
Jeffrey Newton, Superintendent of Schools  
Tim Hagen, Chairman, Board of Ed  
Ken Biega, VP O & G Industries

Absent: No One

**A. Call Meeting to Order**

Chairperson Alberti called this Regular Meeting of the East Lyme Board of Finance to order at 7:02 PM.

**B. Pledge of Allegiance**

The Pledge was observed.

**C. Delegations**

Ms. Alberti called for delegations.

Ron Rando, Boston Post Road, East Lyme said that he had some people stop into his shop from around Town to speak with him. He said that he has been coming to these meetings since the 1970's and that he had always been saying that they should put money away for the rainy day fund – and now it is coming to that. So they will have to make cuts, they have a lot of engineers so they should cut an engineer and privatize the Water & Sewer. The State is \$1.7B in the red, they have spent the teachers' retirement and Hartford is bankrupt and we will help to pay for all of that. Aetna is looking to leave the State, Hood Ice Cream is leaving and others have already left. He said that he would recommend that they cut \$1M from the bottom line of the BOE as they hide money and move it around and you cannot touch line items. Also, they have 30 year old water meters but they have fancy new trucks – they could save with new water meters. He thanked them for listening.

**D. Approval of Minutes**

▪ **Regular Meeting – January 11, 2017**

Ms. Alberti called for a motion for approval or any changes to the Board of Finance Regular Meeting Minutes of January 11, 2017.

Ms. Alberti said that where Mr. Nickerson is speaking on the top of Page 2 about the COST meeting and the pension fund not being funded that it is made clear that they are talking about the State pension. Mr. Nickerson said that the State had not funded it 1935-1985.

**\*\*MOTION (1)**

Ms. Hogan moved to approve the Board of Finance Regular Meeting Minutes of January 11, 2017 as amended.

Ms. Picarazzi seconded the motion.

Vote: 5 – 0 – 1. Motion passed.

Abstained: Mr. Pazzaglia

▪ **Special Meeting – January 11, 2017**

Ms. Alberti called for a motion for approval or any changes to the Board of Finance Special Meeting Minutes of January 11, 2017.

Ms. Alberti said that she thought that Gianokos had an 'a' instead of an 'o' - Gianakos.

**\*\*MOTION (2)**

Mr. Weber moved to approve the Board of Finance Special Meeting Minutes of January 11, 2017 as amended.

Mr. DeRosa seconded the motion.

Vote: 5 – 0 – 1. Motion passed.

Abstained: Mr. Pazzaglia

**E. Reports**

◆ **Board of Education**

Mr. Hagen, Chairman of the Board of Ed said that he would give them an update – they had passed the Education budget for next year – \$46,793,609 which is an approx. \$1.3M increase over last year and represents an overall 2.88% increase. 2.71% of the increase is for salaries and insurance. He said that they were very pleased with where they came in at. In other matters, he said that the Elementary Schools alterations program that was presented was unanimously approved to move forward and they would hear more on it here this evening. There is also a committee working on the re-districting as there is an imbalance in the numbers at Flanders School. He said that they are also working on a long-range plan for where they would like to see the district focus itself.

◆ **First Selectman**

Mr. Nickerson reported on the following:

- The Governor came out with his budget – he proposes taking from Towns like ours and giving to cities such as Hartford, Bridgeport, and New London etc. This is his budget only – the Legislator's budget will be different.
- There is \$5.1M in our Fund Balance.
- Regarding the water meters that were mentioned earlier – he said that we do have a plan to replace them – they cost \$300 each – which is a cost to the water customer. The change would be to radio controlled and they should save considerably. That project is being worked on.
- He noted that the Purchasing Subcommittee is working on dates that they can meet.

Ms. Hogan asked where the Fire Study was and when they would see it.

Mr. Nickerson said that it is in process and that they had some scheduling issues meeting with the departments which slowed it down. They are working on the soft item side. He also noted that the old engine at Flanders is now gone and has been deemed irreparable – they have two vehicles to use and will get support from others as necessary.

Ms. Picarazzi asked about the study on other Towns' wages and benefits and said that she would like to hear where they are on that.

Ms. Alberti asked that they discuss it later on in the agenda.

Mr. Nickerson noted that they are in arbitration with one of the Town's unions.

Mr. Weber asked if there was any additional cost for the Fire Study as it was taking longer.

Mr. Nickerson said no.

◆ **Finance Director**

Ms. Johnson said that they had received the reports in their packets. She noted that the larger expenditures included paying the interest on the debt; Police and Storm Overtime, Storm materials etc.

Mr. DeRosa asked about the expenditure of 78% of the Storm Materials/Supplies budget line item at this point during the year.

Mr. Nickerson said that they purchase salt up front and that it is for those types of items.

Ms. Johnson added that some is encumbered.

Ms. Hogan asked if they are concerned with the Storm Overtime.  
Ms. Johnson said not at this time.

Ms. Alberti said that last month Ms. Johnson had informed them that they were running about \$419,000 short in projected revenues. She asked how they were doing now.

Ms. Johnson said that figure is a bit higher now - \$463,000. She further explained that the State had reduced the ECS School Grant by \$125,644; Building Permits were running \$70,000 lower, \$15,000 less in out of district tuition, \$42,500 less in tipping fees and \$27,000 less at the landfill. On another note, she said that for the insurance claims that they finally had a decent month in January with claims around \$434,688 – this is about \$285,000 less in claims versus this same time last year. She is hoping that it will continue.

## **F. New Business**

### **a. Special Appropriation \$62,000 Commission on Aging bus 5310 DOT Grant**

Mr. Nickerson explained that the \$12,400 is our cost and the Grant covers \$49,600. He said that they have been assured that they are getting the grant.

Ms. Picarazzi and Ms. Alberti questioned about us being on the hook for it should other things happen at the State level.

Ms. Johnson said that they will have a duly signed and executed contract.

Ms. Alberti said that she does not feel comfortable with the contract language as it does not have any trade-in value on the old vehicle.

Mr. Weber said that he thinks that they could get more value for it by selling it on the outside rather than using it as a trade-in.

Ms. Alberti called for a motion.

### **\*\*MOTION (3)**

Ms. Picarazzi moved to appropriate \$62,000 in CNRE Fund 32 for the purchase of a new 12 passenger and 2 wheelchair bus to be utilized at the Senior Center – Delivery expected between July – October 2017 – to an account to be established titled, “COA DOT 5310 Bus” as follows:

\$49,000 from the Connecticut Department of Transportation 5310 Grant and to transfer the Town’s share in the amount of \$12,400 from Fund 32 account number 32-70-300-500-100 (Town Project Allocations).

Ms. Hogan seconded the motion.

Vote: 5 – 1 – 0. Motion passed.

Abstained: Ms. Alberti

Note: This item requires Town Meeting approval

### **b. Presentation and possible action on Board of Education plan for the refurbishment of three elementary schools including cost of financing \$37,500,000**

Jeffrey Newton, superintendent of Schools thanked everyone in the audience, Mr. Biega of O & G, various BOE members, teachers and the Finance Board with regard to this project. He recalled the full presentation that had been previously held and passed out a synopsis presentation (copy attached) and reviewed it noting the Committee membership and meetings that had been held to date; the guiding factors, facility needs – noting that the last alterations were done in the 1970’s; the projected enrollment figures and the overview of what would be done to all three of the elementary schools (ADA compliance, Security, updated Electric, Lighting, Technology, etc) and to each individually to address their specific critical needs. He explained that the projected State Reimbursement had come in at more than what they had originally anticipated – nearly \$5.5M and provided that information sheet (attached).

Mr. Newton also noted that this coming Saturday that all three of the Elementary Schools will be open from 8 AM to 10 AM to the public so that they can walk through them on their own to see what they look like. He said that staff would be on hand to answer any questions but the public would look on their own at their own pace. He noted that they had posted this on their website.

Mr. Weber said that he struggles with the population statistics and the idea that EB will bring so many people in that will drive the statistics. People have been coming here for years – for one business or another – such as Pfizer and it has not driven the figures that are being estimated now. He asked what NESDEC estimated in 2012 as there has always been some company and as such he finds it hard to see it as the sole driver of the estimates. Further all previous indicators said that the school population was going down and now it is suddenly going up – he said that he was wondering if it was a one year blip. Mr. Hagen and Mr. Newton said that NESDEC are the group that conduct the study and that they would have to get the information from the last estimate to him.

Mr. Weber asked if they are doing a thermal survey to make sure that they are repairing all the leaky areas. Mr. Biega said yes.

Mr. Weber said that he thinks that they are doing the right things although he is not comfortable with the enrollment projections.

Mr. DeRosa asked if any work would be done to the LEARN area.

Mr. Newton said no – nothing has to be done there and LEARN knows this and is happy with it.

Ms. Hogan said that when they last met – they had thought that the reimbursement would be less and now it is more –

Mr. Biega said that in order to hold that they have to file by June 30, 2017. The dollars will come out to them in phases as the work is done.

Ms. Alberti said that she is impressed with the effort they put forth to include all people from the community for this project. She asked what the impact would be to the taxpayer – for instance to a home assessed at \$250,000.

Mr. Newton said that Ms. Johnson has figured that in relation to this debt as well as with regard to a new police station.

Ms. Johnson passed out graphs and a sheet explaining that there would be a 1.4 mill impact at the peak just for the schools not considering anything else for the Town. (Attached) She noted that other considerations that could be coming up for bonding that are not included here are \$7.5M for a police station, \$5M for a Fire Station and \$5M for playing fields.

Ms. Alberti asked if that information was made available to the public.

Mr. Newton said no.

Ms. Alberti and Ms. Picarazzi said that information needs to get out to the public – the graphs and the mill impact and asked that it be put on the BOE website and that they make it available at the upcoming Saturday event.

Ms. Alberti continued that she had actually liked the previous plan the best and that she does not trust the \$30M+ as she feels that other repairs will come along and that it is a lot of space for the number of students and they need to be clear on why they are keeping three schools open as they have some pre-set figure for each school. The previous plan could have returned some property to the Town and given an opportunity to increase the tax rolls, etc. They need to be honest with how they got to where they are and she feels that this needs to be moved on to the taxpayers. She asked what happens if it does not pass.

Mr. Newton said a number of things – they would have to re-evaluate with the BOE and Steering Committee and go from there.

Ms. Picarazzi said that she was on the Steering Committee and while they did not all agree on many things, they came up with ideas and they all worked very well together.

Ms. Alberti called for a motion.

**\*\*MOTION (4)**

Ms. Hogan moved that they accept the communication from the Board of Selectmen dated February 2, 2017 and RESOLVED that the Resolution entitled "Resolution Making An Appropriation In The Amount of \$35,500,000 For The Planning, Design, Acquisition, Construction, Equipping and Furnishing Of Alterations

and Upgrades of the Lillie B. Haynes, Flanders and Niantic Center Elementary Schools And Authorizing The Issuance Of \$37,500,000 Bonds of the Town to meet said Appropriation and Pending the Issuance Thereof the Making of Temporary Borrowings for Such Purpose” a copy of which is attached hereto, is hereby adopted and recommended for approval by the legal voters of the Town at Town Meeting.

Ms. Picarazzi seconded the motion.

Vote: 6 – 0 – 0. Motion passed.

Note: This item requires Town Meeting/Referendum

(Note: 9 PM – Mr. Weber left the meeting.)

**c. Accept land transferred from the State of Connecticut at no cost**

Mr. Nickerson explained that the retaining wall on Walnut Hill road has been failing and falling into an existing pond near it. The western half of the failing retaining wall is owned by the State of Connecticut. Recently a major collapse occurred and the Town had to perform an emergency repair including concrete that encroached on the DEEP property. The State is willing to transfer enough of the adjacent property to the Town to be able to repair the wall to current standards and to do other repairs. This would be at no cost to the Town.

Ms. Alberti said that she was not sure why they should see this.

Mr. Nickerson said that this Board would want to approve this gift of property as it would require the property coming off of the tax rolls and that is their responsibility.

Ms. Albert called for a motion.

**\*\*MOTION (5)**

Ms. Alberti moved – RESOLVED that the Town of East Lyme will accept at no cost 0.0349 acres of land from the State of Connecticut on Walnut Hill Road to facilitate the reconstruction and maintenance of a retaining wall on Walnut Hill Road.

Ms. Picarazzi seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

**d. Review 2017/2018 Proposed Budget Review Schedule**

Ms. Alberti and Ms. Picarazzi said that they could not make the meetings on March 13 and March 16 and asked that they be re-scheduled for the very last week in March.

**G. Old Business**

**a. Board of Finance By-Laws**

Ms. Alberti noted that she had sent them a revised draft from the items that had been discussed at their last meeting.

**\*\*MOTION (6)**

Ms. Picarazzi moved to approve the Board of Finance By-Laws as amended.

Ms. Hogan seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

**b. Purchasing Policy**

Mr. Nickerson reported that this Subcommittee is in the process of setting up dates to meet that they can all make.

**c. BOE Permanent Maintenance Account**

Ms. Picarazzi said that she had asked that this be put on the agenda so that they would not lose sight of items such as the turf fields that will need to be replaced. She said that she would like them to better manage this to be able to put dollars together so that they would not have to be hit with bonding for it.

Ms. Alberti said that perhaps they could have the school take the money that they had left over and turn it into the CNRE Fund for items.

Mr. Nickerson suggested that this would be a good topic for them to meet and work with Mr. Newton on and discuss how they would like it to work.

Ms. Alberti volunteered Mr. Pazzaglia to meet and work with Mr. Newton and discuss some of their concerns regarding this type of account and some possible solutions.

**d. Study other Town Wages & Benefits**

Ms. Picarazzi said that she had asked for this also as they are in tough times and she would like to see what they can do to reduce costs. She said that she hears too often that 'it's a contract issue'. She asked Mr. Nickerson what ideas he might have and if this is a concern of his.

Mr. Nickerson said that it is probably one of the highest priorities of the job – especially as he comes from the private sector which is much different than dealing with unions where everything is a negotiation.

Ms. Alberti said that she is looking for a salary comparison.

Mr. Nickerson said that CCM has that data and that he would see if he could get access for them to review it or provide them with the information.

Ms. Picarazzi said that she is looking for items such as sick time and those benefits and if they could improve the fiscal picture by cutting costs; ie. Non-union department heads and how do they compare.

Mr. Nickerson said that they have a hiring contract outlining what is given. He said that they would see when he presents the budget where some of the changes are with the newer people that have been hired to replace those who retired. With the unions – he said that you have to give something to get something and that each negotiation does not start with a new contract but rather with what contract they already have.

Ms. Picarazzi suggested that they could grandfather those already here and make changes going forward with any replacement people for those who have left or retired.

Mr. Nickerson said that is something that he is working on.

Mr. Pazzaglia asked if they planned on hiring people.

Mr. Nickerson said no, they would only replace people who retired such as they recently have done.

**H. Public Discussion**

Ms. Alberti called for Public Discussion.

There was no Public Discussion.

**I. Board Comments**

Ms. Alberti called for Board comments.

There were no comments from the Board.

**J. Adjournment**

Ms. Alberti called for a motion to adjourn.

**\*\*MOTION (7)**

Mr. Picarazzi moved to adjourn this Regular Meeting of the East Lyme Board of Finance at 9:59 PM.

Ms. Hogan seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary



# Alteration Proposal for East Lyme's Three Elementary Schools



Board of Education Presentation  
to the Board of Finance

February 8, 2017



Flanders School



Lillie B. Haynes School



Niantic Center School

*Attachment*

*BoB*

*2/8/17*

*New Business*

*Item b.*

# Design Steering Committee

## Committee Membership:

Tim Hagen	Jeff Newton	Linda Anania	Lisa Picarazzi
Eric Bauman	Melissa DeLoreto	Bill Derry	Linda Johansen
Ray O'Connor	Jeff Provost	Marc Salerno	John Whritner
John Rhodes	Mark Nickerson	John Arnold	Maria Whalen

## Meetings To Date:

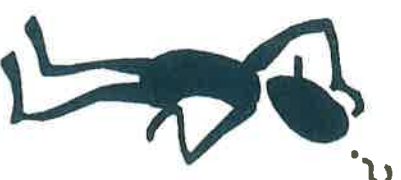
Aug 18, 2016	Sep 7, 2016	Sep 20, 2016	Oct 27, 2016
Nov 1, 2016	Dec 8, 2016	Dec 21, 2016	Dec 29, 2016
Jan 19, 2017			



***Background on where we've been.....***

**Four Guiding Factors:**

- **Assuring Educational Excellence for all Children**
- **Facility Needs**
- **Student Enrollment**
- **Cost**





## Facility Needs



The buildings have reached the age where significant expenditures are required to maintain our elementary schools' infrastructure, systems and educational quality and reputation.

### **Niantic Center**

Built in 1952

Alterations 1976



### **Lillie B. Haynes**

Built in 1957

Alterations 1972



### **Flanders School**

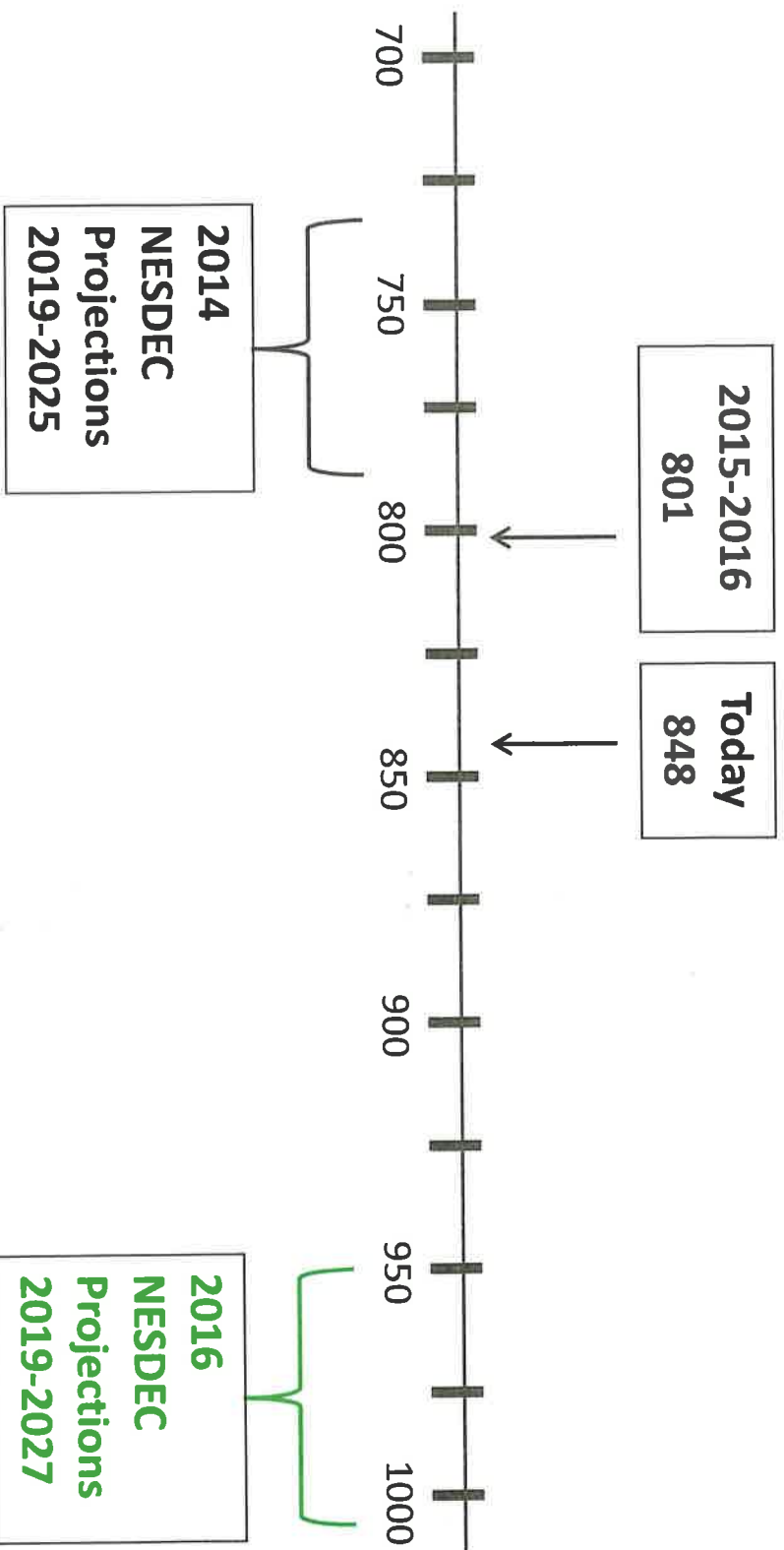
Built in 1964

Alterations 1976



# Elementary School Alteration

How many K-4 students should we plan for?



# Alterations Project Overview

Provide for all three Elementary Schools comparable

- Air Quality
- ADA Compliance
- Security
- Interior Building Finishes
- Electrical, Lighting, & Technology

For each Elementary School address specific critical needs

- Site
- Structural
- Other

## Additional Points:

- **Building/Alterations Life Span:**

- Components replaced or added will have life span as new. Existing components such as plumbing, roofing, boilers that are not replace as part of the project will require attention as needed in the future.

- **Design Cost Estimates and Contingency Coverage for Project:**

- Design cost estimates are conservative for the project due to unanticipated factors at the design phase for an alteration project
- There is a 10% contingency for the conceptual design estimate (\$2,457,482) and an owner's contingency of 10% on the entire project (\$3,256,839)

- **Reimbursement**

- A few select items will qualify for reimbursement from the State
- Total estimated reimbursement is \$5,468,808

*Increase from state  
(low anticipated)*

- **Phasing Logistics for the Alterations Project**

- Scope of work will require potential construction phasing
- Swing-space for relocating classrooms will be required

- **Redistricting Logistics in Conjunction with Project**

- Redistricting timeline needs to be evaluated
- Concerns with moving students/teachers multiple times

**\*Timeline for ELPS Elementary Project through Referendum**

<b>Event</b>	<b>Date &amp; Time</b>	<b>Location</b>
BOE reviews Draft Proposal of School Alteration Plans	1/5/17 – 6:00 pm	Conf Room, CO ✓
BOE Regular Meeting to discuss	1/9/17 – 7:00 pm	Rm B101, ELHS ✓
Presentation is reviewed at a joint BOS/BOF/BOE meeting	1/11/17 – 6:00 pm	LBH Gym ✓
Community presentation(s) with Q & A	1/17/17 – 6:00 pm 1/19/17 – 6:00 pm	ELHS Auditorium ✓ ELHS Auditorium ✓
Superintendent’s Presentation to the Rotary Club of Niantic	1/18/17	Flanders Fish ✓
Design Steering Committee Meeting	1/19/17 – 4:30-5:45	Conf Room, CO ✓
BOE takes action to submit Alteration Proposal and Request for Special Appropriation to BOS	1/23/17 – 7:00 pm	Rm B101, ELHS ✓
Proposal submitted to BOS	1/24/17	Town Hall ✓
Meeting with State for School Construction Grant Review	1/24/17 – 1:00 pm	Hartford ✓
BOS reviews BOE proposal (must act within 10 days of BOE submission)	2/1/17	Town Hall ✓
BOF approves Bonding Proposal (10 days post BOS review)	2/8/17	Town Hall
BOS set date for Referendum (within 30 days of BOF approval)	3/1/17	Town Hall
Referendum (>7days but <14 days from when BOS acts)	3/14/17	TBD

\*Dates subject to change

\* In the past year there have been 15 articles in *The Day* sharing out information on the elementary projects.



School Facilities Needs and Utilization Study  
East Lyme Public Schools  
East Lyme, CT  
JH1404A

**PROJECTED STATE REIMBURSEMENT**

Based on O&G Conceptual Design Estimates dated January 3, 2017

January 31, 2017

**Flanders Elementary School**

**Space Standards Waiver**

Construction Costs	\$3,707,244.00	
Soft Costs, Fees and Contingencies	\$2,146,494.00	
Subtotal of Eligible Project Costs	\$5,853,738.00	\$5,853,738.00
65% Space Standards Adjustment	\$3,804,930.00	
Total Reimbursement at 44.64%	\$1,698,521.00	\$2,613,109.00

**Lillie B. Haynes Elementary School**

Construction Costs	\$2,278,512.00	
Soft Costs, Fees and Contingencies	\$1,257,739.00	
Subtotal of Eligible Project Costs	\$3,536,251.00	\$3,536,251.00
65% Space Standards Adjustment	\$2,298,563.00	
Total Reimbursement at 44.64%	\$1,026,079.00	\$1,578,582.00

**Niantic Center School**

Construction Costs	\$1,789,196.00	
Soft Costs, Fees and Contingencies	\$1,071,728.00	
Subtotal of Eligible Project Costs	\$2,860,924.00	\$2,860,924.00
65% Space Standards Adjustment	\$1,859,601.00	
Total Reimbursement at 44.64%	\$ 830,126.00	\$1,277,117.00

**Total Project Reimbursement:** \$3,554,726.00 → **\$5,468,808.00**

Note:

- The Projected State Reimbursement is based on the Connecticut State Department of Education 2016-17 reimbursement rate of 44.64%, valid until June 30, 2017.
- The entire January 3, 2017 O&G estimate must be expended to attain the above noted reimbursement.

\$37.5m



Town of East Lyme  
Elementary School Facilities Project

FYE	Amount	Mil Impact
6/30/2018	56,800	0.02
6/30/2019	269,600	0.1
6/30/2020	479,694	0.2
6/30/2021	914,444	0.4
6/30/2022	1,641,550	0.9
6/30/2023	1,977,075	0.9
6/30/2024	2,365,400	1.1
6/30/2025	2,708,100	1.3
6/30/2026	2,642,925	1.2
6/30/2027	2,582,000	1.2
6/30/2028	2,574,200	1.2
6/30/2029	3,031,900	1.4
6/30/1930	2,954,100	1.4
6/30/1931	2,900,800	1.4
6/30/1932	2,822,000	1.3
6/30/1933	2,743,200	1.3
6/30/1934	2,664,400	1.3
6/30/1935	2,580,313	1.2
6/30/1936	2,488,688	1.2
6/30/1937	2,394,813	1.1
6/30/1938	2,303,250	1.1
6/30/1939	2,057,000	1
6/30/1940	1,973,750	0.9
6/30/1941	1,279,563	0.6
6/30/1942	613,500	0.3
TOTAL	51,019,065	24.02
	Average	0.9608

*Peak  
Cost (schools)*

Net G/L 2,150,431,715  
98.40% 2,116,024,808

Notes:

10/1/2016 Net Grand List @ 98.4% Collection Rate  
ProForma Debt projections dated 1/24/2017

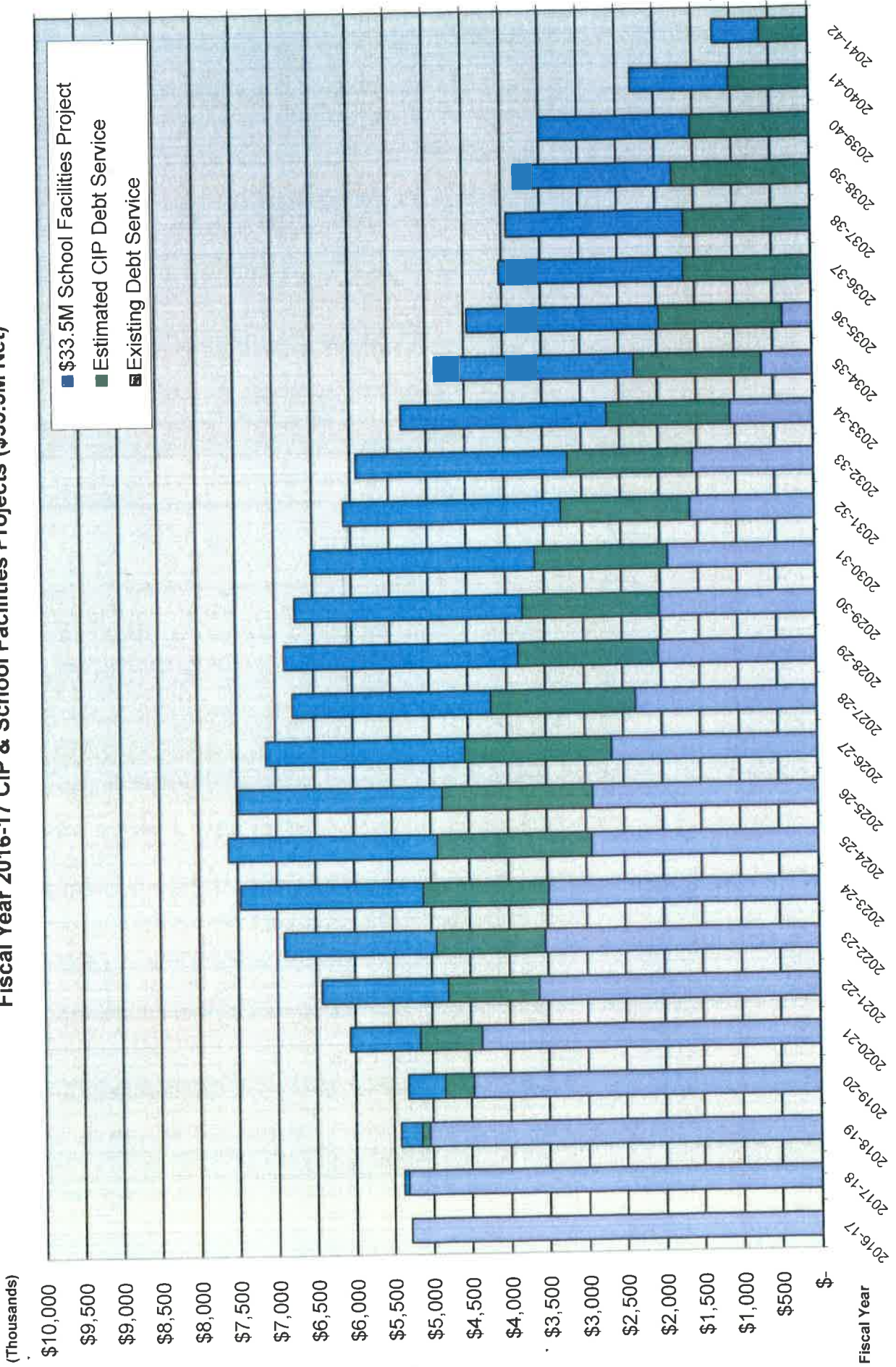
*Attachment 207 2/8/17*

*Mem  
C.B.  
February 1, 2107*

# Town of East Lyme

## Existing and Proposed Debt Service

### Fiscal Year 2016-17 CIP & School Facilities Projects (\$33.5M Net)

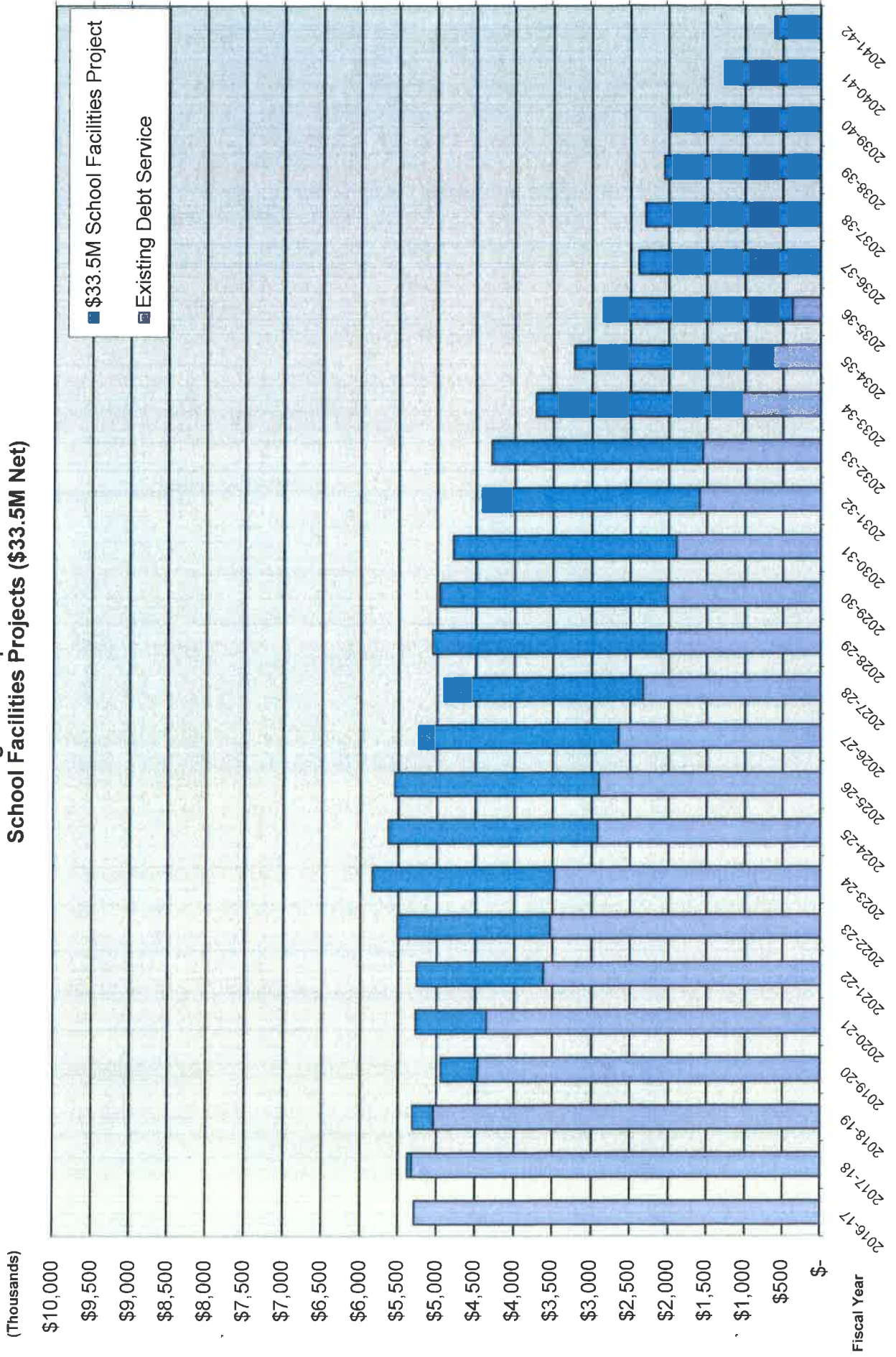


Attachment B07 2/8/17 Item 6.b.



# Town of East Lyme

## Existing and Proposed Debt Service School Facilities Projects (\$33.5M Net)



RESOLUTION MAKING AN APPROPRIATION IN THE AMOUNT OF \$37,500,000 FOR THE PLANNING, DESIGN, ACQUISITION, CONSTRUCTION, EQUIPPING AND FURNISHING OF ALTERATIONS AND UPGRADES OF THE LILLIE B. HAYNES, FLANDERS AND NIANTIC CENTER ELEMENTARY SCHOOLS AND AUTHORIZING THE ISSUANCE OF \$37,500,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$37,500,000 is hereby appropriated by the Town of East Lyme, Connecticut (the "Town") for planning, design, acquisition, construction, equipping and furnishing of alterations and upgrades of the Lillie B. Haynes, Flanders and Niantic Center Elementary Schools, including, but not limited to, air quality systems, heating, ventilation and air conditioning systems, ADA compliance improvements for bathrooms, fixtures and interior doors, new security systems with cameras, new door lock hardware, new public address and audio systems, replacement of ceilings, flooring, drinking fountains, case work and furniture, refurbishment of front entries, upgrade of electrical, lighting, data and technology (Wi-Fi) infrastructure, and new laptop computers; for Flanders Elementary School, the replacement of an underground oil tank, new roof, expansion and reconfiguring of main office, replacement of single pane windows, abatement and improvements to basement crawl space, replacement of wall partitions, and replacement bathroom exhaust systems, cafeteria blinds and gym wall pads; for Lillie B. Haynes Elementary School, site work for bus and parent drop-offs, new parking areas, repaving of existing parking areas, sanitary sewer line, new boiler, reestablishment of second gym, and conversion of locker rooms to classrooms; and for Niantic Center School, repaving of existing parking lots and driveways, landscaping for front entry, replacement of oil tank, restoration of exterior masonry, replacement of windows and a boiler, ADA compliance improvements to gym and stage, replacement of gym floor, addition of north wall and windows, and new basketball backboards; and related legal, consulting, licensing, advisory, administrative, governmental fees and expenses and costs of issuance related thereto, said appropriation being inclusive of any and all State and Federal grants-in-aid thereof (the "Project").

Section 2. To meet said appropriation, \$37,500,000 bonds of the Town, or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of Connecticut, Revision of 1958, as amended from time to time (the "Connecticut General Statutes"). Said bonds may be issued in one or more series as determined by the First Selectman and the Town Treasurer, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amounts of State and Federal grants-in-aid of the Project, or the actual amounts thereof, if this be ascertainable and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, financing, legal and other costs of issuance of such bonds. The bonds shall be in the denomination of \$1,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Town Treasurer, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson &

Cole LLP, Attorneys-at-Law, of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds including the rate or rates of interest shall be determined by the First Selectman and the Town Treasurer, in the best interest of the Town, in accordance with the Connecticut General Statutes.

Section 3. Said bonds shall be sold by the First Selectman in a competitive offering or by negotiation, in his discretion. If sold in a competitive offering, the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the Town. 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 purchase agreement shall be approved and signed by the First Selectman and the Town Treasurer.

Section 4. The Town Treasurer is 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 First Selectman and the Town Treasurer, have the seal of the Town affixed, be payable at a bank or trust company designated by the First Selectman, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, Connecticut, and be certified by a bank or trust company designated by the First Selectman pursuant to Section 7-373 of the Connecticut General Statutes. They shall be issued with maturity dates which comply with the provisions of the Connecticut General Statutes governing the issuance of such notes. The notes shall be general obligations of the Town and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the Town are pledged to the payment of the principal thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing the notes, 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 the 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. The Town hereby expresses its official intent pursuant to Section 1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and any time after the date of passage of this resolution in the maximum amount and for the Project with the proceeds of bonds, notes, or other obligations ("Tax Exempt Obligations") authorized to be issued by the Town. The Tax Exempt Obligations shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Regulations may authorize. The Town hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The First Selectman or his designee is authorized to pay Project expenses in accordance with this resolution pending the issuance of Tax Exempt Obligations.

Section 6. The First Selectman, Director of Finance and the Town Treasurer are hereby authorized, on behalf of the Town, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of events as enumerated in

Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this resolution. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 7. The First Selectman and the Town Treasurer, or either of them, are hereby authorized, on behalf of the Town, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.