

EAST LYME BOARD OF SELECTMEN  
MEETING OF JUNE 1, 2011  
MINUTES

PRESENT: Paul Formica, Mark Nickerson, John Birmingham, Jack Hogan, Rob Wilson.

EXCUSED: Rose Ann Hardy.

Mr. Formica called the meeting to order at 7:32 p.m. and led the Pledge.

Tom Kalal introduced the members of the Agribusiness Committee and they reviewed a power point presentation for the Board noting the present status (identified as Attachment A)

1b. Additional Agenda & Consent Calendar Items

There were none

1c. Delegations

There were none.

1d1. Approval of Minutes, Special Meeting of May 18, 2011

MOTION (1)

Mr. Nickerson moved to approve the minutes of the Special Meeting of May 18, 2011 as submitted.

Seconded by Mr. Hogan. Motion passed 5-0.

1d2. Approval of Minutes, Regular Meeting of May 18, 2011

Mr. Formica noted a correction that needed to be made on page 3, paragraph 2b, and end of second line should read \$4.15 million dollars.

MOTION (2)

Mr. Nickerson moved to approve the minutes of the regular meeting of May 18, 2011 as amended.

Seconded by Mr. Wilson. Motion passed 5-0.

2a. Settlement of Pending Litigation with National Union Insurance Co.

Attorney Mark Block and Atty. Amanda Sisley were present to review this item.

Attorney Block said that this was a proposed settlement concerning litigation against AIG, now known as National Union Insurance to show that the town was covered by their insurance for actions taken against the town by New England National. He noted that this proposal was the outcome of mediation regarding only the insurance company claim against AIG. The mediated proposal was for AIG to pay the town \$275,000 and the town in return would release AIG from future known and unknown claims from AIG.

Attorney Block noted that the settlement was fair and reasonable and in the best interest of the Town.

MOTION (3)

Mr. Nickerson made the following motion:

Move that the First Selectman, Paul Formica be authorized to execute a Settlement Agreement settling the declaratory judgment action between the Town of East Lyme and National Union Insurance Company (formerly A.I.G), upon the following terms.

1. National Union Insurance will pay the sum of \$275,000 to the Town.
2. The Town of East Lyme releases National Union from future liability under the policies issued by National Union and further waives its right to seek insurance coverage under any of the National Union policies for any known or unknown claim by New England National, LLC and its affiliates.
3. The Town of East Lyme indemnifies National Union against any claims that New England National, LLC or its affiliates may make against National Union arising out of the policies issued by National Union. In the event such claim is made by New England National, LLC or any of its affiliates against National Union, the Town is required to defend the claim and pay any judgment should New England National, LLC prevail in such claim.

The Settlement Agreement is subject to review and approval of the Town's counsel prior to execution by the First Selectman.

Seconded by Mr. Hogan. Motion passed 5-0.

2b. Appointment – Waterford / East Lyme Shellfish

MOTION (4)

Mr. Nickerson moved to appoint Paul Spakowsky of 37 Mill Road, East Lyme, CT 06333 to serve on the Waterford / East Lyme Shellfish Commission through January 6, 2014.

Seconded by Mr. Wilson. Motion passed 5-0.

2c. Authorize First Selectman to Sign Lease for Art Show / Lobsterfest

MOTION (5)

Mr. Nickerson moved to authorize the First Selectman to sign a lease with the Lions Club for the Art Show / Lobsterfest for July 2011.

Seconded by Mr. Hogan. Motion passed 5-0.

2d. Appointment – Special Constable

MOTION (6)

## East Lyme Board of Selectmen Meeting of June 1, 2011

Mr. Wilson moved to appoint Paul T. Holmes of 9R Center Street, Waterford, CT 06385 to serve as a part time constable in the Town of East Lyme through December 31, 2011.

Seconded by Mr. Hogan. Motion passed 5-0.

### 5a. Ex-Officio

Mr. Hogan said he attended the Waterford / East Lyme Shellfish meeting where they had granted permission to test for oyster planting and they were moving forward with a clamming project. He also attended the Veteran's Vigil at the Town Green to honor our veterans and walked in the Memorial Day Parade. He congratulated the girls and boys lacrosse teams, the baseball team and the girls track team for all winning in their divisions.

Mr. Wilson noted that the Parks and Recreation meeting was canceled due to lack of a quorum. He said that Touch a Truck was a huge success at McCooks and the Parade was great.

Mr. Birmingham had no report.

Mr. Nickerson attended the Alcohol and Substance Abuse Prevention meeting and noted the guest speakers were very informative. He was also a guest speaker for the Sub School Graduation and met some of the Legion of Merits recipients.

### 5b. First Selectman's Report

Mr. Formica noted that he attended a presentation of the junior class mock crash. He said that the budget had been passed at referendum, but that we are still waiting on the State budget and he hoped that the unions vote to accept the concessions. He said that the Board of Finance met and set the mill rate which will show a slight reduction from last year. He attended the Dare Graduation and commended Officer Jean Cavanaugh for all the fine work that she does. He said that he also attended the Alcohol and Substance Abuse Prevention meeting. He toured the Amtrak bridge area and attended an informational status meeting where they were told that the project is on target and half way done. He said the finishing date is set for May of 2013 and Amtrak was doing a great job. He held a 20 / 20 Facilities meeting and added that they had been waiting for a feasibility study done regarding the schools. He added that there would be another meeting next month and then public discussion. He said that the Council of Governments met and he held a meeting with all the historical committees in town (Historic Society, Historic Properties and Smith Harris House Commission) to discuss consolidating their efforts into one entity. He said that the Police negotiations were continuing along with the Fire Fighters wage re-opener. He attended the Lillie B. Haynes Memorial Day presentation and the Annual Black Point Beach meeting over the weekend. He noted that he marched in the parade with Congressman Courtney, Senator Stillman, State Rep. Jutila. He said that today he attended the Rotary meeting where they honored the student of the month and met with Attorney General George Jepsen today.

### 6. Public Comment

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There was none.

MOTION (7)

Mr. Wilson moved to adjourn the June 1, 2011 meeting at 8:14 p.m.

Seconded by Mr. Hogan. Motion passed 5-0.

Respectfully submitted,

Darlene C. Stevens, Recording Secretary