

A **SPECIAL MEETING** of the Board of Finance was held on Thursday, June 11, 2020. In response to the Governor's Executive Orders regarding COVID-19, this meeting was held remotely using the ZOOM online meeting platform. Participants included Mayor Elinor Carbone and Board of Finance Members James Wright, Laurene Pesce, Lance Boynton, Christopher Beyus and Christopher Anderson.

City Clerk Carol Anderson, City Comptroller Alice Proulx, Bond Counsel Sandra Dawson, Torrington Public Schools Superintendent Susan Lubomski, Interim Business Manager Ed Arum, Board of Education Chairwomen Fiona Cappabianca, O&G Industries Assistant Vice President Kenneth Biega and Kaestle Boos Principal-In-Charge Brian Solywoda also joined the meeting.

Board of Finance Member Mark Bushka was absent.

Mayor Carbone called the meeting to order at 5:32 p.m.

PRESENTATION OF WRITTEN COMMENTS FROM THE PUBLIC

City Clerk Carol Anderson read aloud comments from the public regarding the proposed THS Building Project.

Laura Watson expressed her disappointment and frustration regarding the proposed plans for the THS Building Project.

Kimberly Pretzel expressed her support for the Board of Education's plan to construct a new high school.

DISCUSSION REGARDING THE APPROPRIATION OF FUNDS FOR THE THS BUILDING PROJECT

On a motion by Mr. Anderson, seconded by Mr. Wright, the Board discussed the possible adoption of Resolution #143-203 which would authorize an appropriation of \$159,575,000 for the construction of a new high school, a new middle school, a new central administrative office, and the demolition of the existing Torrington High School, and the financing of said appropriation by the issuance of general obligation bonds of the City and notes in anticipation of such bonds in an amount not to exceed \$159,575,000 therefor and recommend approval of Resolution #143-204 to the Board of Councilmen.

Mr. Wright questioned why the Board of Education proposed scheduling the referendum in September and expressed concern that voter turnout would be greater if the referendum was held on Election Day in November. He also requested clarification regarding the cost of holding a stand-alone referendum and questioned how the COVID-19 crisis would impact voting procedures. Carol Anderson stated that she expects all polling locations to be open with social distancing and enhanced safety measures in place. She also informed the Board that in preparation for the August Primaries, absentee ballot applications would be mailed to all voters. Mayor Carbone explained that the total cost of a stand-alone referendum would be approximately \$30,000, including legal fees, the mailing of informational materials and \$10,000 for one polling place. Ms. Cappabianca clarified that the Board of Education wanted the referendum to be held separate from the November election because they were concerned that the referendum would get lost on the November ballot and the voters would not be able to give the referendum their full attention. Supt. Lubomski also noted that a September referendum would move the project along faster and she reiterated that the Board of Education would pay for the referendum. Mayor Carbone further clarified that the start of the next legislative session was the only deadline for completing the referendum. Mr. Wright and Mr. Beyus expressed their support for scheduling the referendum on Election Day.

Mr. Beyus requested clarification as to whether the Building Committee was established and urged them to look for cost savings wherever possible. Mayor Carbone clarified that the City Council appointed the Board of Education to serve as the Building Committee.

Mr. Boynton expressed his concerns regarding the anticipated cost of the THS building project compared to his research findings on construction costs for other school building projects. Supt. Lubomski, Ms. Cappabianca and Mr. Arum suggested that Mr. Boynton's findings were not representative of the type of project being proposed for THS and asserted that the pricing provided by O&G was on par with other municipal school construction projects throughout the region. Mr. Biega provided additional clarification regarding the construction costs for the THS Building Project. He explained that in addition to the cost of construction, there are legal fees and other costs including the demolition of the existing building, new technology, and architectural fees, among others. He stated that the average cost for constructing a new high school in Connecticut was \$545 or more per square foot and noted that the City would have the opportunity to put the project out to bid and select the lowest bidder.

Mayor Carbone requested that the Board of Education send the Board of Finance the expense summary for the proposed project and Supt. Lubomski stated that she would.

Mr. Wright questioned whether the Board of Education considered incorporating a trade school on the THS campus. Supt. Lubomski stated that the Board of Education submitted a proposal to the State but the proposal was turned down.

Mrs. Pesce questioned whether there would be opportunities to involve additional members of the public on the Building Committee and Ms. Cappabianca conveyed the Board of Education's support for increased public participation. Mrs. Pesce also expressed her concerns regarding the language in Resolution #143-203 which references the construction of a "new middle school." She recommended that it be made clear that the existing Torrington Middle School would not be demolished. Atty. Dawson clarified that the resolution was written as such because it would be a new construction and Mayor Carbone questioned whether there would be a new

name for the Grades 7-8 school. Ms. Cappabianca stated that the current TMS would become the Intermediate School for Grades 4-6 and the 7th and 8th Grade portion of the new building would be the Junior High School. In addition, Mrs. Pesce expressed concern that incorporating the Board of Education headquarters into the new building would impede consolidation efforts with the City and she asked if additional funds were available to the City as a result of its Alliance District status. Supt. Lubomski reported that the Alliance District designation did not open up additional reimbursements from the State.

Mr. Beyus urged the Board of Education to involve more community stakeholders on the Building Committee.

Mr. Boynton requested clarification regarding enrollment projections and the amount of space per student incorporated into the THS building design. Supt. Lubomski reported that the New England School Development Council (NESDEC) conducted an enrollment evaluation for the next five years and the State advised the Torrington Board of Education to plan for an enrollment of 1571 students. Mr. Biega reported that they budgeted approximately 180 square feet per student at the high school level and approximately 154 square feet per student at the middle school. In addition, Mayor Carbone discussed the real estate boom in Torrington and the potential impact that the COVID-19 pandemic could have on enrollment projections.

Mr. Anderson requested clarification regarding the anticipated mill rate impact of the proposed THS Building Project and Mayor Carbone clarified that the debt service would peak at an anticipated 3.23 mills in the 2027-2028 fiscal year. Mr. Anderson also expressed his support for bringing the project to referendum and making sure the public is well-informed.

Mrs. Pesce expressed her support for having the referendum in September. Mr. Wright, Mr. Boynton and Mr. Beyus disagreed and expressed their support for making the referendum date the same as Election Day in November.

Mr. Wright requested clarification regarding the process if the Board of Finance decided not to approve and adopt Resolution #143-203. Mayor Carbone explained that the project wouldn't move forward and the Board of Education would have to consider alternative solutions for fixing the problems at Torrington High School. She further clarified that the Board of Finance had the authority to approve the appropriation and make a recommendation to the City Council, whereas the City Council would have the authority to schedule the referendum. Supt. Lubomski and Ms. Cappabianca reiterated the severity of repairs needed at the existing high school and explained that it would cost the taxpayers more to complete all of the necessary repairs than it would to construct a new facility.

Hearing no further comments, the Mayor called the vote.

ROLL CALL VOTE TO ADOPT RESOLUTION #143-203

The Board voted with three votes in favor (Mrs. Pesce, Mr. Beyus and Mr. Anderson) and two opposed (Mr. Wright and Mr. Boynton) to adopt the following resolution #143-203 authorizing an appropriation of \$159,575,000 for the construction of a new high school, a new middle school, a new central administrative office, and the demolition of the existing Torrington High School, and the financing of said appropriation by the issuance of general obligation bonds of the City and notes in anticipation of such bonds in an amount not to exceed \$159,575,000 therefor, and recommending approval of resolution #143-204 to the Board of Councilmen.

RESOLUTION #143-203

RESOLVED:

Section 1. That, to accommodate the City's 7th through 12th grade student population, the sum of \$159,575,000 is appropriated by the City of Torrington, Connecticut (the "City"), for the construction of a new high school, a new middle school, a new central administrative office, and for the demolition of the existing Torrington High School, located at 50 Major Besse Drive, Torrington, Connecticut (the "Project"). The appropriation may be spent for planning, design, acquisition, demolition and construction costs, equipment, materials, site improvements, surveys, architects' fees, engineering fees, remediation, project management and other costs related to the Project, interest on borrowings and other financing costs, and for administrative, printing, and financing, legal and other costs of issuance related thereto.

Section 2. That to finance said appropriation for the Project, the City shall issue bonds, notes or other obligations in an amount not to exceed \$159,575,000 (or so much thereof as may be necessary after deducting grants or other sources of funds received by the City for said project, such amount expected to be approximately \$84,950,000 in reimbursement grants from the State of Connecticut). The bonds, notes or other obligations shall be issued pursuant to Chapter 109 of the Connecticut General Statutes, Revision of 1958, as amended (the "Connecticut General Statutes"), including, without limitation, Section 7-369 of the Connecticut General Statutes, and any other enabling acts.

Section 3. That the City issue and renew temporary notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds, notes or other obligations for the Project or the receipt of grants for the Project. The amount of the notes outstanding at any time shall not exceed \$159,575,000. The notes shall be issued pursuant to Section 7-378 of the Connecticut General Statutes. The City shall comply with the provisions of Section 7-378a of the Connecticut General Statutes with respect to any notes that do not mature within the time permitted by said Section 7-378.

Section 4. That the Mayor and the Treasurer of the City (the “Officials”) be authorized to sign said bonds, notes or other obligations by their manual or facsimile signatures and to determine the amounts, rates of interest, dates, maturities, dates of principal and interest payments on such bonds, notes or other obligations, the form of such bonds, notes or other obligations, the provisions for protecting and enforcing the rights and remedies of the holders of such bonds, notes or other obligations and all other terms, conditions and particular matters regarding the issuance and securing of such bonds, notes or other obligations and to execute, sell and deliver the same and all other documents, agreements and certificates related to the sale, issuance or delivery of said bonds, notes or other obligations, and 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, Securities and Exchange Commission Rule 15c2-12 (the “Rule”), and in accordance with the Connecticut General Statutes and any other applicable provision of law thereto enabling. Pursuant to Section 7-370 of the Connecticut General Statutes, except as otherwise provided herein, the Officials are delegated authority to determine the terms, details and particulars of borrowings authorized by this resolution. The bonds, notes or other obligations authorized hereby shall be general obligations of the City secured by the full faith and credit of the City.

Section 5. That the Officials are hereby authorized to designate a bank or trust company to be the certifying bank, registrar, transfer agent and paying agent for such bonds, notes or other obligations; to provide for the keeping of a record of the bonds, notes or other obligations; to designate a financial advisor to the City in connection with the sale of the bonds, notes or other obligations; to designate the law firm of Pullman & Comley, LLC, Hartford, Connecticut, as the attorneys at law, to render an opinion approving the legality of such issue or issues.

Section 6. That the Officials are authorized to sell the bonds, notes or other obligations by a competitive offering or by a negotiated sale, at public or private sale, at their discretion; to deliver the bonds, notes or other obligations; and to perform all other acts which are necessary or appropriate to issue the bonds, notes or other obligations, including, but not limited to, entering into a continuing disclosure agreement pursuant to the Rule. If the bonds, notes or other obligations authorized by this resolution are issued on a tax-exempt basis, the Officials are authorized 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, notes or other obligations, including covenants to pay rebates of investment earnings to the United States in future years.

Section 7. That the City hereby declares its official intent under Section 1.150-2 of the Federal Income Tax Regulations (the “Treasury Regulations”) that project costs may be paid from temporary advances of available funds, which are paid within sixty days prior to and any time after the date of passage of this resolution, and that (except to the extent reimbursed from grant moneys) the City reasonably expects to reimburse any such advances from the proceeds of borrowings (the “Obligations”) in an aggregate principal amount not in excess of the amount of borrowing authorized above for the Project. Such Obligations shall be issued to reimburse such expenditures not later than eighteen months after the later of the date of the expenditure or the substantial completion of the Project, or such later date the Treasury Regulations may authorize. The Treasurer, or designee, is authorized to pay Project expenses in accordance herewith pending the issuance of reimbursement Obligations. The Officials 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, notes or other obligations authorized by this resolution, if issued on a tax-exempt basis.

Section 8. That the Officials are hereby authorized, on behalf of the City, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to information repositories designated by the Municipal Securities Rulemaking Board and to provide notices to such repositories of certain events as enumerated in the Rule, as may be necessary, appropriate or desirable to effect the sale of the bonds, notes or other obligations authorized by this resolution. Any agreements or representations to provide information to such repositories made prior hereto are hereby confirmed, ratified and approved.

Section 9. That the Officials, the Board of Education and other proper officers of the City are authorized to take all other actions which are necessary or desirable to complete the Project consistent with the foregoing and to issue bonds, notes or other obligations to finance the aforesaid appropriation.

Section 10. That the Board of Education is hereby authorized to apply to the Connecticut Commissioner of Education, or other state or federal agencies, and to accept or reject grants for the Project.

Section 11. That this resolution shall become effective after approval at referendum vote.

ADJOURNMENT

On a motion by Mr. Wright, seconded by Mr. Boynton the Board voted unanimously to adjourn at 6:47 p.m.

Respectfully submitted,
Jonathan Draper, Asst. City Clerk

ATTEST: *Carol L. Anderson*
CAROL L. ANDERSON, MMC
CITY CLERK