

TO: Mayor Gene F. Eriquez and Members of the Common Council

RE: Minutes of Special Common Council Meeting held July 14, 1997

The meeting was called to order at 8:05 by Mayor Eriquez. The Pledge of Allegiance and Prayer were recited. The members were recorded as:

Present-Scalzo, Abrantes, McAllister, Arconti, Coladarci. Boynton Shuler, Setaro, Esposito, Levy, Fox, Nolan, Mead, Buzaid

Absent- Valeri, Machado, Charles, Gomez, Basso, Butera, Gallagher
14 Present 4 Absent

Mr. Valeri- Previous engagement
Mr. Machado Previous engagement
Mr. Charles Previous engagement
Mr. Gomez Previous engagement
Mrs. Basso On Vacation
Mrs. Butera Is ill
Mr. Gallagher Out of town on business

NOTICE OF THE SPECIAL MEETING - To be held on the 14th day of July 1997 at 7:30 P.M. in the Common Council Chambers in City Hall for the purpose of acting upon the following items listed below. Mr. Setaro made a motion to accept the call and return of service. Seconded by Mr. Shuler. Motion carried unanimously.

PUBLIC SPEAKING - There were no members of the public wishing to address the Common Council.

1. RESOLUTION- With Respect to The Issuance And Sale of \$10,100,000 City of Danbury General Obligation Bonds.

**RESOLUTION WITH RESPECT TO THE ISSUANCE
AND SALE OF \$10,100,000 CITY OF DANBURY
GENERAL OBLIGATION BONDS**

BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF DANBURY:

Section 1. \$4,100,000 of the \$14,900,000 bonds of the City authorized pursuant to an ordinance entitled "An Ordinance Making Appropriations Aggregating \$14,900,000 For Various Public Improvements (The Cityworks 2000 Program) And Authorizing The Issue Of \$14,900,000 Bonds Of The City To Meet Said Appropriations And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose", adopted by the Common Council on July 2, 1996 and approved by the electors at a referendum on November 5, 1996, shall bear an original issue date of August 1, 1997 and mature \$230,000 on August 1 in each of the years 1998-2007, both inclusive, and \$180,000 on August 1 in each of the years 2008-2017, both inclusive.

Section 2. \$6,000,000 of the \$19,000,000 bonds of the City authorized pursuant to an ordinance entitled "An Ordinance Appropriating \$19,000,000 For Reconstruction Of The Margarie Water Treatment Plant, Improvements To West Lake Treatment Plant, Construction Of Additional Transmission Lines And Related Water System Improvements And Authorizing The Issuance Of \$19,000,000 Bonds Of The City To Meet Said Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose", adopted by the Common Council on August 2, 1994 and approved by the electors at a referendum on November 8, 1994, shall bear an original issue date of August 1, 1997 and mature \$280,000 on August 1 in each of the years 1998-2007, both inclusive, and \$320,000 on August 1 in each of the years 2008-2017, both inclusive.

JULY 14, 1997

Section 3. Said \$4,100,000, and \$6,000,000 bonds referred to in Sections 1 and 2, hereof, shall be combined into and issued and sold as a single issue of \$10,100,000 City of Danbury General Obligation Bonds, bearing an original issue date of August 1, 1997, maturing, in combination, \$510,000 on August 1 in each of the years 1998-2007, both inclusive, and \$500,000 on August 1 in each of the years 2008-2017, both inclusive, bearing interest payable on February 1 and August 1 in each year until maturity, commencing February 1, 1998 (the "Bonds"). The Bonds maturing on August 1, 2008 and thereafter are subject to redemption at the respective prices set forth in the following table together with interest accrued and unpaid to the redemption date:

	<u>Redemption Date</u>	<u>Redemption Price</u>
From:	August 1, 2007 to July 31, 2008.....	102%
	August 1, 2008 to July 31, 2009.....	101%
	August 1, 2009 and thereafter.....	100%

Section 4. \$4,100,000 of the Bonds are determined to be issued for General Public Improvement purposes and shall be includable in the City's aggregate indebtedness for purposes of the City's statutory limitation on indebtedness under Section 7-374 of the General Statutes of Connecticut as debt for General Public Improvement projects.

Section 5. State Street Bank and Trust Company of Connecticut, N.A., of Hartford, Connecticut, is hereby appointed as agent of the City to act as Registrar and Transfer Agent, Certifying Bank and Paying Agent and with respect to the Bonds.

Section 6. The Bonds shall be issued as book-entry bonds in accordance with the terms and provisions set forth in a Letter of Representations from the City of Danbury to The Depository Trust Company.

Section 7. The Mayor and City Treasurer are hereby authorized to execute and deliver a Tax Regulatory Agreement on behalf of the City of Danbury in such form and containing such terms and provisions as they deem necessary and appropriate, and to rebate to the Federal Government such amounts, if any, as may be required pursuant to the Tax Regulatory Agreement for the purpose of complying with the requirements of the Internal Revenue Code of 1986, as amended.

The Resolution was read into record by Council President Mr. Setaro. Councilman Boynton made a motion to accept the communication and adopt the Resolution as read. Seconded by Councilwoman Coladarci Motion carried unanimously.

2. RESOLUTION- Drinking Water State Revolving Fund (DWSRF)

WHEREAS, the State of Connecticut Department of Public Health is making available loans through the Safe Drinking Water Act (SDWA) for the establishment of a Drinking Water Revolving Fund (DWSRF) program, and

WHEREAS, the Drinking Water Revolving Fund program is to assist public water systems with financing infrastructure upgrades needed to achieve and maintain compliance with SDWA requirements to protect public health, and

WHEREAS, as determined by the City of Danbury Department of Public Utilities three eligibility loan applications will be submitted pursuant to this Fund program as follows:

1. Pleasant Acres in the amount of \$1,197,850.
2. Water Transmission Main - Phase IV & V in the amount of \$2,257,548.
3. Marjorie and West Lake in the amount of \$16,648,664., and

WHEREAS, loan funding is expected to be available in the Fall of 1997 at an interest rate set at one half of the market rate.

NOW, THEREFORE, BE IT RESOLVED THAT Mayor Gene F. Eriquez is authorized to apply for and accept said loan and to execute such documents necessary for the accomplishment of the purposes thereof.

The communication was read in to by Council President Setaro Mr. Boynton made a motion to accept the communication and adopt the Resolution. Seconded by Mrs. Coladarci. Motion Carried unanimously

3- REPORT- Danbury Schools System's Lease/Purchase Agreement of Apple Computers.

Mr. Scalzo submitted the following report:

The Common Council committee charged with reviewing the Lease/Purchase Agreement of Apple computers by the Danbury School System met in Room 432 of City Hall on July 8, 1997 at 7:15 p.m. In attendance were committee members Abrantes, Shuler, Scalzo and Gallagher, Mayor Gene Eriquez, Director of Finance; Dom Setaro, Danbury School's Business Manager; Jack Heidenrich, Coordinator of Educational Services; Brenda White, and Common Council members Setaro and Levy ex-officio. Committee member Mead was out of town.

Mr. Heidenrich stated that since 1992 the school system has had a technology plan and a group overseeing this plan, and that this lease/purchase would complete the first phase of their plan. He added that the school system had chosen Apple as existing school software was Apple based (although some IBM equipment was being utilized at the DHS business wing), that Apple also allowed for a rollover during the lease, an additional financial avenue for the school system, and that this would probably be the final Apple purchase.

Discussion ensued regarding the choice of Apple computers and the technology infrastructure should the school system change computers. Mr. Scalzo asked about the competitive pricing of this equipment. Mr. Levy asked whether there was an alternative financing mechanism. Mr. Shuler asked about the warranty period.

Mrs. Abrantes moved to recommend to the Common Council approval of the \$235,000 Lease/Purchase Agreement of Apple computers by the Danbury School System. Seconded by Mr. Shuler and approved unanimously. The meeting was adjourned at 8 p.m.

Mr. Setaro Council President made a motion to accept the report and approval of \$235,000 Lease/Purchase Agreement of Apple Computers. Seconded by Coladarci. Motion carried unanimously.

4. REPORT- Honeywell Schools Services Agreement

Mr. Scalzo submitted the following report:

The Common Council committee charged with reviewing the Honeywell Schools Services agreement with the Danbury School System met in Room 432 of City Hall on July 8, 1997 at 6:30 p.m. In attendance were committee members Abrantes, Shuler, Scalzo and Gallagher, Mayor Gene Eriquez, Director of Finance; Dom Setaro, Director of Public Works; Jack Schweitzer, Danbury School's Business Manager; Jack Heidenrich, Honeywell representative; Susan Doskow, and Common Council members Setaro and Levy ex-officio. Committee member Mead was out of town.

Mayor Eriquez stated that an ad hoc committee of city and school officials had been working with Honeywell to create a plan for \$1.4 million in capital improvements relating to energy efficiency, for Danbury High School, Broadview Middle School and Rogers Park Middle School. The improvements would be paid for through guaranteed energy and operational savings. Mr. Heidenrich described the plan as a "win win" situation whereby the school environments would improve, the school infrastructure would improve, with minimal capital outlay. Susan Doskow of Honeywell gave a brief overview of the ten year plan including; energy conservation measures, support services, financial highlights, and the project implementation time frame. Dominic Setaro pointed out certain language in the contract regarding guaranteed savings, which will need clarification. Mr. Scalzo and Mr. Shuler both asked questions regarding warranty period, preventative maintenance, and standard maintenance.

Mr. Scalzo moved to recommend to the Common Council approval of the Honeywell School Services Program, provided that all contract language be resolved by the Corporation Counsel's office to all parties satisfaction. Seconded by Mrs. Abrantes and passed unanimously. The meeting was adjourned at 7:15 p.m.

Mr. Boynton made a motion to accept the report and approve the Honeywell School Service Program. Seconded by Mr. Shuler. The motion carried unanimously.

5.- COMMUNICATION- Request Regarding Deferral of Assessment

This is a letter of inquiry regarding Section 18-25 of the Code of Ordinances of the City of Danbury regarding deferral of assessment increases due to construction and improvements on property within Berkshire Corporate Park in Danbury, Connecticut. Specifically the purpose of this ordinance, Section 18-25, is to encourage economic development in the City of Danbury. Be advised that Berkshire Industrial Corporation and its affiliated companies are in current ongoing discussions and negotiations with G.E. Capital Corporation's Vendor Financial Services Group for a proposed build-to-suit 180,000 s.f. office building to be located, in the City of Danbury, in Berkshire Corporate Park.

G.E. Capital's Vendor Financial Services Group is currently located at the Still River Corporate Centre in Danbury. We have been advised they will be relocating out of that facility by year end 1998 and will be making their decision for a new location in the immediate future. The City of Danbury's assessment deferral incentive is of interest to G.E. Capital and jointly with Berkshire Industrial Corp. wish to pursue an application for deferral of real estate assessment increase per Section 18-25 of the City of Danbury Ordinances for the proposed new office building in Berkshire Corporate Park.

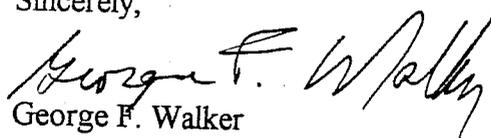
G.E. Capital's Vendor Financial Services has investigated several alternative locations both within the Greater Danbury Area and outside of the Greater Danbury Area. They are reviewing locating into several non-Danbury locations both out of state and out of the Greater Danbury Area. Berkshire Corporate Park's proposal and negotiations focus on a location within the City of Danbury at Berkshire Corporate Park along Riverview Drive. The new facility and location being discussed and negotiated is significantly larger than is available at G.E. Capital's current location. The new proposed site provides for future expansion with the capability of doubling the size of the facility at a later date.

G.E. Capital has advised us that since they will bear the direct cost of the real estate taxes, this cost is a major item in their decision process for their future location. Therefore real estate assessment deferrals will be an important consideration in their final decision and negotiation process for locating within the City of Danbury at Berkshire Corporate Park.

Berkshire Industrial Corporation has reviewed the assessment deferral ordinance Section 18-25 with G.E. Capital and we collectively have produced the enclosed information and data for your review. This data is provided for informational and inquiry purposes for an application of the deferral of such assessment increases in accordance with Section 18-25 of the Code of Ordinances, City of Danbury. We are requesting deferrals for a period of 7 years. Please reference to the enclosed and review with the Danbury Common Council which we understand is the next step in the process of determining the eligibility of this project for deferral of real estate assessment incentives. We and a representative from G.E. Capital Services will be prepared to discuss and provide further detailed information at the next meeting of the Common Council.

We are looking forward to working with you and the City of Danbury to retain this exciting, growing and progressive company as a long term asset for the community.

Sincerely,

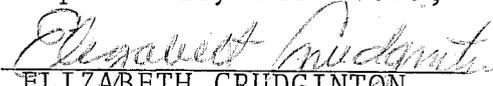

George F. Walker
Vice President

Mr. Setaro Council President read the communication into record
Mr. Setaro made a motion to accept the communication and referred it
to Planning Department and report back to Common Council for the
August Council meeting.

The Mayor extended all committees.

There being no further business to come before the Common Council
a motion to adjourn was made by Mr. Arconti at 9:10 P.M.

Respectfully submitted,


ELIZABETH CRUDGINTON
City Clerk