


## MEMORANDUM

TO: Town Council

FROM: David E. Cox, Town Manager 

DATE: January 23, 2020

SUBJECT: Agenda Information – 1/28/2020

The following is additional or summary information regarding matters on the upcoming Town Council Agenda. The numbering below follows the agenda and some routine or self-explanatory items are not discussed in this memo. As you review your packet materials, please do not hesitate to contact the appropriate staff member or me prior to the Council meeting with any questions or concerns. Often, these conversations can help staff and me be prepared for the Council meeting and be ready to facilitate a more productive and efficient meeting for everyone.

### **6 Bids and Contracts**

**6a Selection of CDBG Consultant** – The Housing Authority intends to apply for Community Development Block Grant funds for work to be accomplished at the Authorities properties. The Town is the official applicant for the CDBG funds, which target low/moderate income, disabled and senior residents. A grant was sought for this work in 2019 but the Housing Authority was not awarded funds. In accordance with the terms of the proposed grant, proposals have been sought from grant-writing consultants to assist the Housing Authority in preparation of the extensive grant application materials. Two proposals have been received and are being review by Housing Authority and Town staff. A recommendation will be presented at the meeting and the Council will be asked to approve the selection.

Requested Action: Waive any required second reading and approve the CDBG consultant.

### **7 Resolutions/Ordinances/Policies/Proclamations**

**7a Ordinance Amending the Arts and Cultural Commission Membership** – Based on a request from the Arts and Cultural Commission, an ordinance was prepared for Council consideration seeking a change to the Commission's membership to provide for seven members with two alternates instead of the existing 9 members with no alternates. With the higher number of members, it has been difficult at times for the Commission to reach quorum at meetings thereby delaying its mission. Most other Boards and Commissions operate with 7 members and many have alternates. As noted, an ordinance was prepared that would effect the change. Said ordinance was reviewed by the Council at its previous meeting and was the subject of a public hearing scheduled for 6:15PM on January 28, prior to this Town Council Meeting.

Requested Action: Approve the proposed Ordinance.

**7b Proclamation Congratulating Council Member Reich** – The Council is asked to affirm a Proclamation the members made congratulating fellow Council member Kevin Reich upon his being named the East Hampton Lions’ Humanitarian of the Year. The honor and the Proclamation were conveyed at a banquet held on Saturday, January 18.

**8 Continued Business**

**8a Renaming the Eastern Portion of Pine Brook Road** – The Council is asked to continue its consideration regarding the renaming of the eastern portion of Pine Brook Road to East Pine Brook Road. As a reminder, the request came from the owner and developer of the three parcels using this portion of Pine Brook Road and is intended to address issues that have been encountered by delivery services and confusion in mapping applications in determining where properties on Pine Brook Road are located. Like others in the Town, Pine Brook Road exists in multiple, disconnected sections (see attached map). In order to improve the ability for services and mapping applications to identify the property, it is proposed to rename the portion of Pine Brook Road east of the westerly edge of parcel 14-31A-9 at 134 Pine Brook Road to East Pine Brook Road. Currently, there are no occupied properties using this portion of the road that would be impacted by the road name change and the person who requested the change is the builder developing the two parcels at the eastern end and is the owner of the large parcel bisected by the road easement/reservation. According to Section 273-1 of the Town Code, the authority to name/rename streets in the Town is held by the Town Council. If the Council determines it wishes to proceed with renaming the road, action would be scheduled for a future meeting and the required notice of the future meeting will be published in the newspaper.

**9 New Business**

**9a Addendum to Colliers Listing Agreement, 1 Watrous Street** – In June 2019, the Town entered into an agreement with Colliers for services related to listing and selling the Town-owned property at 1 Watrous Street. The original agreement expired at the end of December 2019. The Town is still working through a process to determine the clean-up needs of the property but also desires to sell the property. The Council is asked to authorize an extension to the agreement to allow for continued marketing of the property as the Town works through clean up.

**9b Addendum to Colliers Listing Agreement, 20 East High Street** – In June 2019, the Town entered into an agreement with Colliers for services related to listing and selling the Town Hall property at 20 East High Street. The original agreement expired at the end of December 2019 but includes provisions that cover any sale that may occur shortly after the expiration. Therefore, if the Town Meeting approves the sale of the Town Hall property at the January 27 meeting, there is no need to extend this agreement. However, if the Town Meeting does not approve the sale, the Town may wish to continue actively marketing the property and should approve the extension. If necessary, the Council is asked to authorize an extension to the agreement to allow for continued marketing of the property.

**9c Review of Town Council Bylaws and Policies** – As called for in the Bylaws, the Council is asked to review and consider any changes to the existing bylaws and policies of the Town Council. As a reminder, the Council did take an action at the organizational meeting in November to adopt these for the current Council. Of particular interest has been the use and interpretation of the “second reading” policy. The policy provides as follow.

“Action should be taken on items of New Business at the first meeting when it is introduced only if it is of immediate nature and if the Town Council has had sufficient materials and review time to feel comfortable in rendering a decision. All other New Business items will be discussed and then appear for decision at a subsequent Town Council meeting depending on the priority assigned to it. Items in the normal course [SIC] of business tax refunds, appointments, proclamations, approval of minutes, adjournment, executive session and adoption of agendi are exempt from a second reading.” (emphasis added)

The words “New Business” are defined as “all matters brought before the Town Council for the first time in an effort to gain a form of action through vote of the Council.” (emphasis added) The plain language of the policy indicates that all matters brought to the Council for vote, unless they are specifically identified in the exemptions are, by default, bound over to a second meeting for action. Based on a review of Council actions during calendar year 2019, twenty of 59 total actions (about 1/3) were processed on first reading after waiver of the policy. The total number of actions included does not include the items described above as being “in the normal course of business.” However, it does include some matters that, based on a strict reading on the policy, should have been subject to a second reading but were approved on first review. This included some minor Resolutions and one or more contract awards, which were previously not interpreted as being subject to the policy. The Council is encouraged to consider whether a required second reading is necessary as the default or perhaps the policy can be inverted. A possible revision to the policy might allow that all matters may be considered by the Council at any time they are ready to take the action and that a simple request by two members of the Council could cause a second reading. In this case, it may be appropriate to add a means by which a super majority of the Council could override the request for second reading in the event time was an issue. I used the phrase “at any time” to emphasize the fact that the Council always has the authority to delay an action by tabling an item but that such a formal process requires a majority vote. The addition of a minority process to delay could allow two members who need additional time to easily get it. In addition to discussion of this particular item, the Council could discuss any other items in the bylaws and policies that may need updating.

The remainder of the items are of a routine nature, in the sole purview of the Council or are announcements. Please contact me or the appropriate staff member with questions or concerns.

# Community Consulting

## PROPOSAL

CDBG Small Cities Program  
Application Preparation and  
Program Administration  
for the  
Town of East Hampton



**PROPOSAL FOR THE TOWN OF EAST HAMPTON  
TO PREPARE A CDBG SMALL CITIES 2020 GRANT APPLICATION  
AND PROVIDE ADMINISTRATIVE AND TECHNICAL SERVICES TO  
IMPLEMENT ACTIVITIES INCLUDING PROGRAM INCOME**

Community Consulting (CC) is pleased to submit this proposal in response to your Request for Proposals for services to the Town of East Hampton for the purposes of preparing a 2020 CDBG Small Cities Grant Application and administration/implementation of the program if grant is awarded as well as administration and implementation of the Town's Small Cities Program Income.

**INTRODUCTION**

Community Consulting is a private technical assistance organization that has been created to assist eastern Connecticut towns in meeting their community development needs.

With Federal and State aid to municipalities shrinking, competition for community development funding within the State of Connecticut has become intense. The Small Cities Community Development Block Grant Program is one of the few remaining resources for communities with populations under fifty thousand to receive financial assistance to address local community development needs. CDBG Programs have been effective in housing rehabilitation, retention and expansion of job opportunities, public service, and improvements to local facilities and public infrastructure.

Community Consulting provides municipalities with such professional and technical services as; CDBG grant writing, implementation and administration of CDBG funds, including housing rehabilitation programs, elderly housing, community facilities, economic development, infrastructure improvement, and public service.

Community Consulting is locally situated and dedicated to addressing the needs of eastern Connecticut. We offer personalized services that are sensitive to the unique character of rural communities.

Our main objective is to assist eastern Connecticut communities in obtaining and implementing Federal and State funding for programs that facilitate affordable housing and expanded development opportunities.

Community Consulting's particular emphasis is creating ventures which meet the needs of a community's low and moderate income residents. The firm has experience in developing programs that attract the participation of both public and private sectors.

It has been demonstrated that by structuring CDBG programs in a way that facilitates local partnerships, localities have been able to increase the resource base available to tackle complex local economic development problems.

## **2020 Small Cities Grant Application**

Community Consulting (CC) is prepared to provide professional and technical services that would assist the Town of East Hampton in the preparation and submission of this application. CC would work in coordination with Town officials and the appropriate Town staff in further defining the Program. Using relevant statistical and demographic information, CC along with the Town, will evaluate the data and prepare a strategic plan which best meets the needs of the Town of East Hampton.

### **Program Administration, Implementation and Activity Coordination**

CC is prepared to provide all necessary professional services for the successful completion of a 2020 Small Cities Community Development Block Grant. Below is an example of the scope of services for the application preparation and implementation phases:

#### **APPLICATION PREPARATION**

- Meet with Town Officials and other individuals to identify potential project activities.
- Ensure compliance with the Town's "Citizen Participation Plan".
- Coordinate, review and analyze survey results and data for the purpose of developing funding requests.
- Evaluate and recommend projects/activities for inclusion in application.
- Prepare application package for submittal to Department of Housing.
- Support the Town in any necessary follow-up relating to the application after its submission
- Environmental Review Record

#### **ADMINISTRATION**

- Liaison with Department of Housing
- Filing and Maintenance of General and Project Files
- Provide Semi-Annual Grantee Progress Reports
- Provide Monthly Construction Monitoring Reports
- Community Outreach, if applicable
- Civil Rights, Fair Housing and Section 3 activities
- General and Fiscal Management of grant activities
- Compliance with Davis-Bacon Prevailing Wage Rates

#### **IMPLEMENTATION**

- Coordination of Governmental Agency Comments
- Site Assessment
- Coordination with Local Building Official
- Specification Writing and Bid Documentation
- Contract Administration
- Legal Requirements; liens, mortgages, recapture agreement
- Provide progress reports

Program Administration and Implementation services will be conducted in compliance with current HUD and DOH requirements.

## **FEE**

The CT Department of Housing allows for Administration costs to be no more than \$33,000 for all housing grants and a maximum of \$28,500 for all other types of grants, and Program costs to be no more than twelve percent (12%) of the grant for all grants.

Compensation for professional services to administer and implement East Hampton's Community Development Block Grant will not exceed the above amounts, and includes all costs associated with printing.

Compensation to administer and implement East Hampton's Program Income will not exceed twenty percent (20%) for program income funds derived from Housing Rehabilitation Loans and eight percent (8%) for program income funds derived from all other types of Small Cities Grants.

## **STATEMENT OF QUALIFICATIONS**

By being locally situated Community Consulting has a vested interest in the realization of community development in eastern Connecticut. CC was created because there was a need for professional and technical services to be offered to rural eastern Connecticut communities from a local perspective.

Our ability to provide all the necessary services, accompanied with our extensive experience in community development, and our willingness to be readily available to address any idiosyncrasies in the program were contributing factors in being awarded contracts from the Towns of Andover, Ashford, Canterbury, Columbia, Coventry, Essex, Franklin, Hebron, Lebanon, Scotland, Suffield, Tolland, Voluntown, Wallingford, Wethersfield, Windham and Woodstock.

Community Consulting looks forward to having the opportunity to provide professional community development services to the Town of East Hampton. With the office located in Willimantic we can guarantee personalized services that best meet the needs of the Town of East Hampton. Below are references, resumes, and previous experience in writing, administering and implementing CDBG Small Cities Grants.

### **References**

Mary A. DeMarco  
Human Services Director  
47 Crescent Street  
Willimantic, CT 06226  
860-465-3066

Ralph H. Fletcher  
Ashford First Selectman  
5 Town Hall Road  
Ashford, CT 06278  
860-487-4400

Beverly Bellody  
Tolland CDBG Coordinator  
21 Tolland Green  
Tolland, CT 06084  
860-871-3610

Bill Hawkins, Director of Planning & Development  
Town of Suffield  
230 C Mountain Road  
Suffield, CT 06078  
860-668-3848

John A. Elsesser  
Coventry Town Manager  
1712 Main Street  
Coventry, CT 06238  
860-742-6324

Kate Forcier  
Wethersfield Housing Authority  
60 Lancaster Road  
Wethersfield, CT 06109  
860-529-2267

Excerpt



*Housing Development Team, LLC*

**Response to Request for Proposals (RFP)  
for  
CDBG Small Cities Program Application Preparation  
& Program Administration  
Town of East Hampton**

Submitted to:

**Town of East Hampton  
David Cox, Town Manager  
20 East High Street  
East Hampton, CT 06424**

Submitted by:

***Housing Development Team, LLC***  
Stationhouse Square  
2505 Main Street  
Suite 201 Bldg #2  
Stratford, CT 06615  
Office: 203-345-9021  
[www.hdtllc.com](http://www.hdtllc.com)

Submitted:

**January 9, 2020**

## ***A. Proposed Scope of Work and Project Approach***

### ***Housing Development Team, LLC***

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If the Housing Development Team is selected by the Town for this Project, we propose providing the full range of services necessary to submit a Small Cities CDBG Application to DOH and to carryout administrative activities related to project coordination and compliance upon grant award. We can also provide any other general technical services necessary to supplement the approved project with other grant funding or program income during the contract period.

Our work plan for completing the application and administration of the grant is as follows:

#### **I. Project Scope and Application Development**

1. Review and prepare a Citizen Participation Plan according to current DOH criteria.
2. If necessary, assist the Town in advising its residents of program availability and the potential types of project opportunities eligible.
3. Provide support as may be reasonably required to interested parties to assist in the preparation of preliminary project proposals and evaluate all proposals received for conformance with DOH criteria.
4. Assist the Town in reviewing and identifying specific projects/programs eligible for CDBG funding.
5. Identifying other funding sources as appropriate to supplement CDBG funding.
6. Coordinate the review of project feasibility including material prepared by others such as; schematic plans, costs estimates, program design.
7. Identify eligibility under CDBG regulations and DOH ConPLAN criteria.
8. Coordinate and attend a Community Needs Public Hearing.

#### **II. Application Preparation and Submission**

1. We will review mapping, cost estimates, schematic plans, supporting data or other information submitted to us as is reasonably available.
2. Prepare and coordinate the Environmental Review as well as publish results for public comment.
3. Submit findings of review and request release of funds for Environmental Review Record (ERR) from DOH.
4. Prepare the Application subsequent to specific DOH requirements which includes but are not limited to; compiling appropriate exhibits, preparing project narratives; coordinating outreach for letters of support from the public including key state agencies and officials, attend public hearings and address public comments, compiling all required information such as; public hearing meeting minutes, resolution, and coordinating Application signatures with the Town for submission to DOH.
5. Prepare and distribute copies of the Application to DOH within their allotted time frame, and Town.
6. Be available to assist the Town in responding to inquiries during State review.
7. If approved, we will assist the Town with the completion and submission of the Assistance Agreement documentation for final contract execution.



### III. Project Implementation

1. Overall grant condition carrying out the day-to-day compliance requirements of the project.
2. Act as a liaison between the Town and/or the Town sub recipient and DOH.
3. Process required financial paperwork on behalf of the Town for review and submission to DOH such as; Payment Requisitions, State Drawdown Requests, Quarterly Progress Reports, and Monitoring Response Letters.
4. Advertise RFP's for Architects/Engineers for work related to the project.
5. Advertise Invitation to Bids Ads with project bid specifications.
6. Coordinate and conduct pre-bid meetings.
7. Instruct/aid the Town with the bid opening process.
8. Contract compliance including; Davis-Bacon, Fair Housing & Equal Opportunity, Section 3, Procurement Guidelines etc.
9. Housing Rehabilitation program design and delivery services such as; design of the initial application and program outreach material; review applications, determine eligibility, request title searches, request lead paint assessments and remediation work as necessary, coordination of SHPO review, initial site inspections, specification writing, bid advertising, contractor selection, prepare contracts and mortgage documents, prepare homeowner/contractor correspondence, site inspections during construction, review contractor payment applications and authorize payments through payment requisitions, prepare quarterly progress reports, closeout projects and maintain files in addition to attending State monitoring.
10. Pursuant with HUD requirements we can provide our expertise to prepare and implement other State/Federal programs to meet community development and housing needs in addition to CDBG funding to implement and compliment community needs. Specific tasks and costs can be determined by task award for such programs as STEAP, DOE, EPA and other HUD Programs.



## **D. Proposed Fee**

### **Housing Development Team, LLC**

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The Housing Development Team (HDT) will prepare the Town's Small Cities Application in compliance with the State of Connecticut's Department of Housing (DOH) requirements for a lump sum amount of \$3,000. This fee will be contingent upon successful approval of the application by DOH. If this application is not successful with DOH, this compensation is not required and will be forgiven.

For services during project implementation, HDT propose either a per hour approach for each project approved based on fees per staff category as outlined below or a not to exceed lump sum payment for project components that can be clearly identified.

#### ***Per Diem Rates:***

HDT will provide financial advisory and consulting services (collectively, the "Services") for this proposal at per diem rates as follows:

- Firm Principals – \$1,000 per diem (\$125/hr)
- Development Associate – \$600 per diem (\$75/hr)
- General Admin – \$400 per diem (\$50/hr)

Compensation to HDT shall be based on a per diem basis. A day shall consist of eight (8) hours of work including travel time to the site. Portions of the day shall be based on the per diem rate adjusted to an hourly adjustment. Per diem rates shall include: all telephone calls, local travel, burden, overhead and fringes. Local travel is defined as and travel or transportation expense for travel within the State of Connecticut.

*Fees shall not exceed the funds available and approved pursuant to the most recent approved budget without the prior consent of the Town. Fees for activities associated with program income implementation will follow DOH's limits and requirements as forth in the most recent Program Income Resolution.*

#### ***Qualifying Statements:***

- Any work or meeting provided by HDT outside of the services described in the RFP package will be billed at the above hourly rates on a monthly basis by HDT.*
- This proposal does not include additional third party costs for Accounting, Support Services, Architectural, Appraisals, Market Studies, CNAs, Legal or other third party costs outside the scope of this development.*
- HDT will also receive reimbursement from Client for out of pocket costs for express mail, non-local travel, 3rd party printing and similar items approved by Client in advance. HDT will be responsible for all of its internal printing, copying and administrative costs typical for the operation of its own business.*



Town of East Hampton  
Middlesex County, Connecticut

DRAFT - 1/8/2020

**Ordinance No. 2020.01**

**An Ordinance to Amend Chapter 7 of the Code of the Town of East Hampton  
Regarding the Arts and Cultural Commission**

WHEREAS, the Town of East Hampton created an Arts and Cultural Commission in approximately 2010 with a purpose to “foster, promote, encourage and celebrate the excellence, enjoyment, and abundance of arts and culture in East Hampton,” and;

WHEREAS, the Arts and Cultural Commission was established with a membership consisting nine (9) members with members appointed to staggered three-year terms, and;

WHEREAS, the Town Council has received a request from the current members of the Arts and Cultural Commission for a reduction in the number of members to seven (7) regular members with an allowance for up to two alternates to facilitate efficient operation of the Commission, and;

NOW, THEREFORE, pursuant to Section 2.4 of the Town of East Hampton Charter, the Town Council of the Town of East Hampton does hereby ordain as follows:

Section 1: Section 7-2. A. of the Code of the Town of East Hampton regarding Appointment, terms and vacancies; compensation is hereby repealed and replaced in its entirety with the following: (*Note: ~~deletions~~ and additions shown for reference only and will be removed in the executed version*)

A. The Commission shall consist of ~~nine~~ seven regular members and up to two alternate members, who shall be appointed by the East Hampton Town Council. No more than ~~six~~ five of the Commission's regular members shall be members of the same political party and alternate members shall not be of the same political party. The Commission's members will be electors of the Town chosen for their knowledge, competence, or experience in the arts or cultural activities. Initially, ~~three~~ two members and one alternate will be appointed to terms that end on December 31, ~~2013~~ 2022, three members will be appointed to terms that end on December 31, ~~2012~~ 2021, and ~~three~~ two members and one alternate will be appointed to terms that end on December 31, ~~2011~~ 2020. All future terms will run for three-year periods ending on December 31 of the third year. Vacancies shall be filled by the Town Council for the balance of the unexpired term. In addition, there ~~will~~ may be a nonvoting student ad hoc member consisting of an East Hampton High School student with interest in arts and culture ~~who will be~~ selected by the Superintendent of Schools or high school principal to provide bi-directional communication between the Arts and Cultural Commission and local students active in the arts.



Section 2: Current members of the Arts and Cultural Commission shall be reappointed and such vacancies and alternate member positions shall be created as shown in the attached Exhibit A, which exhibit shall not be considered part of the Code of the Town of East Hampton. Said exhibit is adopted for the purpose of implementing this ordinance and is not intended to create a requirement on the Town Council as to appointment or removal of members other than to establish terms for the respective members and alternates.

Section 3: This ordinance is effective immediately upon its adoption and publication in accordance with Connecticut Statutes.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2020.

TOWN COUNCIL

ATTEST

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James "Pete" Brown, Chairperson

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Kelly Bilodeau, Town Clerk

**ORDINANCE 2020.01  
EXHIBIT A**

**Arts & Cultural Commission**  
(3 Yr. Term through December 31)


Brooks, Shirley	2021
Carnahan, Melvin	2020
Lane, Carol	2021
Martin, Phyllis	2022
Pionzio, Melissa	2021
Sennett, Elizabeth	2020
Yocher, Edwin	2022

Alternates:

Vacant	2020
Vacant	2022

MEMORANDUM

TO: Town Council

FROM: David E. Cox, Town Manager 

DATE: January 13, 2020

SUBJECT: Request to Rename a Portion of Pine Brook Road

Recently, staff received the attached request from the owner of properties under construction on the eastern portion of Pine Brook Road to rename that portion of the road. According to Section 273-1 of the Town Code, the authority to name/rename streets in the Town is held by the Town Council.

The request rose out of problems encountered by delivery services and confusion in mapping applications in determining where properties on Pine Brook Road are located. As you may recall, Pine Brook Road, like others in the Town, exists in multiple, disconnected sections (see attached map). In order to improve the ability for services and mapping applications to identify the property, it is proposed to rename the portion of Pine Brook Road east of the westerly edge of parcel 14-31A-9 at 134 Pine Brook Road to **East Pine Brook Road**. Currently, there are no occupied properties using this portion of the road that would be impacted by the road name change and the person who requested the change, Steven Acerbo, is the builder developing the two parcels at the eastern end and is the owner of the large parcel bisected by the road easement/reservation.

If this is acceptable to the Council, action would be taken at the next or a future meeting. The required notice of the future meeting will be published in the newspaper and a proper Resolution effecting the change will be drafted for consideration by the Council.

DC

Attachments

cc: Jeremy DeCarli, Planning and Zoning Official  
Stephen Acerbo, property owner

## Cox, David

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**From:** stephen acerbo <kirk32213@sbcglobal.net>  
**Sent:** Tuesday, January 7, 2020 1:36 PM  
**To:** Cox, David  
**Subject:** Name change for pine brook Rd.

### CAUTION:

This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Remember to hover over any links and if you suspect the email is not legitimate or a phishing email, please contact Tom McMahan at x363.

Mr.Cox,

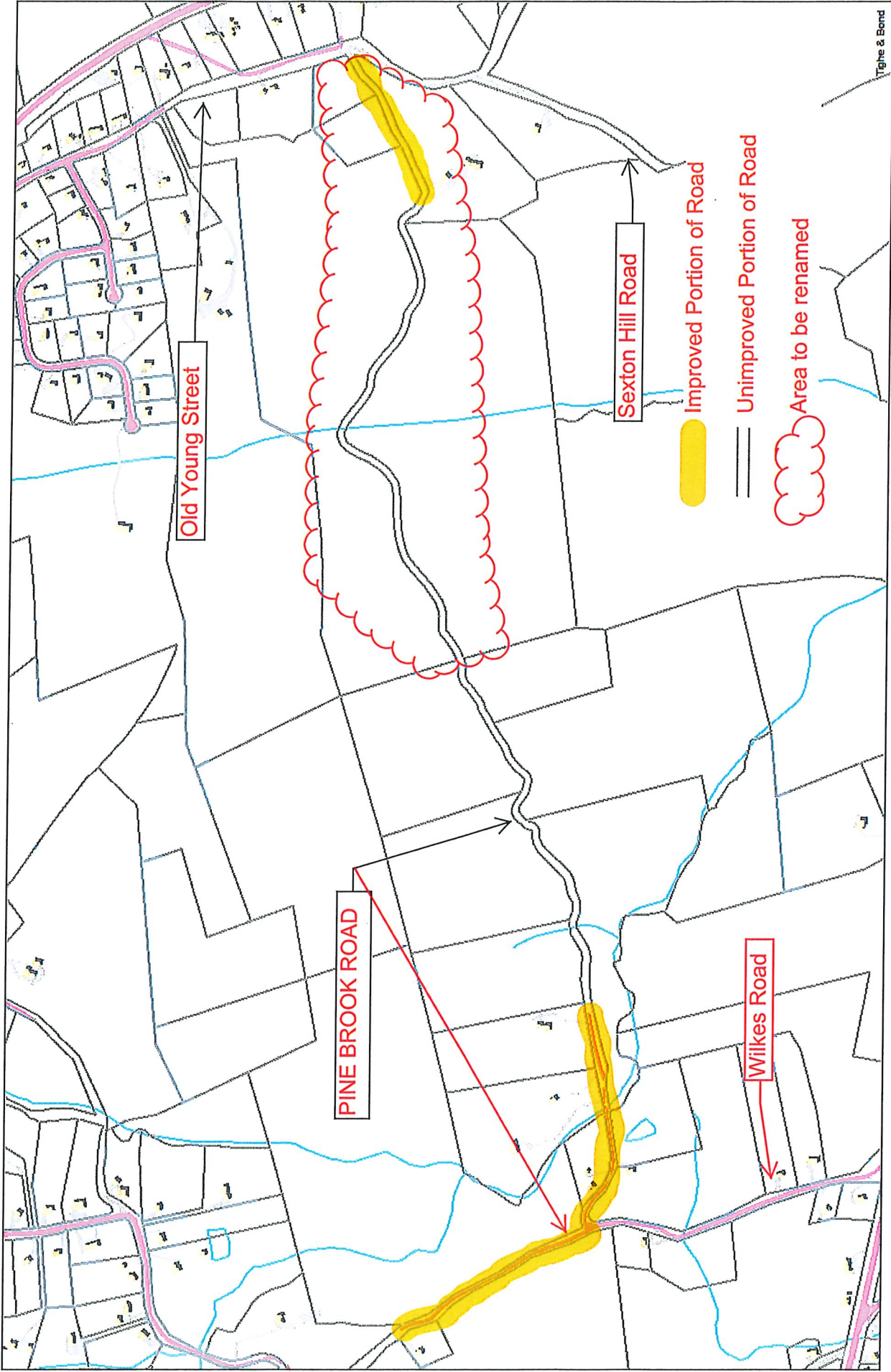
I am requesting that the town owned road, currently referred to as Pine Brook Rd. Be changed to East Pine Brook Rd. As there already is a pine brook Rd on the western side of East Hampton, this will help tremendously to reduce confusion.

My biggest concern is when it comes to emergency services.

Thank you for your time and attention,  
Stephen Acerbo

### [Sent from AT&T Yahoo Mail for iPhone](#)

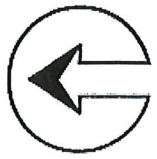
This electronic message is a public record as defined by the Connecticut Freedom of Information Act Section 1-200(5). A copy of this message and any reply will be retained by the Town of East Hampton and will be accessible to the public unless exempted by law.



### Pine Brook Road

The information depicted on this map is for planning purposes only. It is not adequate for legal boundary definition, regulatory interpretation, or parcel-level analyses.

1/13/2020 12:53:45 PM  
 Scale: 1"=750'  
 Scale is approximate



Tighe & Bond



**ADDENDUM**

Whereas, the Town of East Hampton (hereinafter "Owner") and Dow & Condon Inc. d/b/a Colliers International (hereinafter "Broker") have previously executed a Listing Agreement for the Property located at 1 Watrous Street in East Hampton, Connecticut entered into on June 1, 2019.

Owner and Broker agree to modify the Agreement as follows:

1. The term of the Agreement is hereby extended until June 1, 2020.

The remaining terms and conditions of the Listing Agreement shall remain unchanged.

Acknowledged and Agreed:

**OWNER:**  
Town of East Hampton

\_\_\_\_\_ Date \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

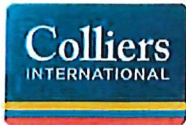
**BROKER:**  
Dow & Condon Inc.

\_\_\_\_\_ Date \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_





EXCLUSIVE RIGHT TO SELL AGREEMENT
REALTORS — Industrial • Commercial • Office • Investments

THIS AGREEMENT, entered into on 6/1/19, is between The Town of East Hampton, with an address as set forth below, the undersigned owner(s) (hereinafter "Owner"), and Dow & Condon, Inc. d/b/a Colliers International ("Broker").

Owner hereby authorizes and grants Broker the exclusive right to offer for SALE the real property (hereinafter the "Property"), located at:

1 Watrous Street East Hampton CT 06424
Street No. & Name Town or City State Zip Code

Known as: 1 Watrous Street and briefly described as: Mill building and half acre of land facing Summit Street

- 1. EXCLUSIVE RIGHT TO SELL. Broker has the exclusive right to offer the Property for SALE during the term of this Agreement and Owner will refer all inquiries about, or offers for, the Property to Broker.
2. ROLE OF BROKER. Broker will use diligent efforts to SELL the Property during the term of this Agreement. Owner acknowledges that Broker is a national brokerage firm and that in some cases it may represent prospective purchasers and tenants. Owner desires that the property be presented to such persons or entities and consents to the dual representation created thereby. Agent shall not disclose the confidential information of one principal to the other.
3. TERM OF AGREEMENT. The term of this Agreement is from June 1, 2019 through December 30, 2019 inclusive, after which Broker's obligations hereunder shall cease. Owner and Broker may extend the term upon mutual written consent.
4. SALE PRICE. Owner authorizes Broker to quote a SALE price of: \$225,000.

NOTICE: THE AMOUNT OR RATE OF REAL ESTATE COMMISSIONS IS NOT FIXED BY LAW. THEY ARE SET BY EACH BROKER INDIVIDUALLY AND MAY BE NEGOTIABLE BETWEEN THE SELLER AND THE BROKER.

5. COMMISSION EARNED. Broker earns its commission, in the amount set forth in paragraph 6 below, if during the term of this Agreement: (a) a prospective buyer or lessee is ready, willing and able to PURCHASE the Property at the price shown in paragraph 4 above, or at any other price or terms acceptable to Owner; or (b) any contract for the SALE of the Property or any portion thereof or interest therein is entered into by Owner, or (c) Owner and a prospective buyer or tenant enter into a legally binding contract for the SALE of the Property or any portion thereof or interest therein and such contract is breached or rescinded by a party or the parties; or (d) Owner SELLS the Property or any portion thereof or interest therein, or (e) Owner contributes or conveys or leases the Property, or any portion thereof or interest therein, to a partnership, joint venture or other entity in exchange for an interest therein or for other consideration, or (f) if Owner is an entity, any interest in Owner is transferred in lieu of a SALE of the Property or any portion thereof or interest therein; or (g) a party enters into an agreement with Owner granting a party the option or right to SELL the Property or any portion thereof or interest therein, including without limitation, an option to purchase or lease, a right of first offer, a right of first refusal, or other right contained in a lease or other agreement with Owner; (h) or otherwise occupies the property. Broker's commission is due and payable and deemed earned upon occurrence of any of the above-described events. The termination of any lease option, agreement or right by the mutual agreement of Owner and the other party shall not affect the right of the Broker to receive the brokerage fee agreed to be paid by Owner under paragraph 6, on the same basis as if such party did not terminate and continued to perform its obligations.

6. COMMISSION AMOUNT. The amount of Broker's commission under this Agreement is: 6% of the total SALE price payable in full upon close of sale (including cash and any other consideration received by or on account of Owner).

7. POST-TERM EVENTS. Broker shall be paid by Owner the applicable commission amount stated in paragraph 6 if (i) within six (6) months after the term of this Agreement has expired, any of the events entitling Broker to a commission as set forth in paragraph 5 above shall occur with or for the benefit of anyone introduced to the Property or contacted by Broker during the term of this Agreement, or (ii) if during such period active negotiations are commenced or continue with or for the benefit of anyone introduced to the Property or contacted by the Broker during the term of this Agreement and are consummated in such a manner as would entitle Broker to a commission in accordance with paragraph 5 providing such consummation occurs within said six month period (or in the case of continuing negotiations, anytime thereafter, but in no case later than sixty (60) months following the expiration of the term of this Agreement).

**8. BROKER'S AUTHORITY.** Broker is expressly authorized and empowered to: (a) utilize such marketing techniques and programs as Broker, in Broker's sole discretion and judgment, deems appropriate for and advantageous to the sale/exchange/lease of the Property, including the placement of a "For Sale" sign or signs on the Property; and (b) enter the Property with other brokers and their duly authorized agents and any interested parties for the purpose of showing the Property to prospective buyers; and (c) enter into co-brokerage agreements with other licensed real estate brokers and agents.

**9. LEGALLY REQUIRED NOTICES.**

**THIS AGREEMENT IS SUBJECT TO THE CONNECTICUT GENERAL STATUTES PROHIBITING DISCRIMINATION IN COMMERCIAL AND RESIDENTIAL REAL ESTATE TRANSACTIONS (C.G.S. TITLE 46a, CHAPTER 814c).**

**"THE REAL ESTATE BROKER MAY BE ENTITLED TO CERTAIN LIEN RIGHTS PURSUANT TO SECTION 20-325a OF THE CONNECTICUT GENERAL STATUTES."**

**10. ENVIRONMENTAL CONDITIONS.** ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES MAY POSE SEVERE HEALTH AND SAFETY RISKS. FEDERAL, STATE AND LOCAL LAWS REGULATE THE PRESENCE, CONTAINMENT AND DISPOSAL OF ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES AND MAY IMPOSE CIVIL AND CRIMINAL PENALTIES FOR IMPROPER TREATMENT OR DISPOSAL. FOR THESE REASONS, THE PAST OR CURRENT PRESENCE OF ANY ENVIRONMENTALLY HAZARDOUS CONDITION OR SUBSTANCE SHOULD BE DISCLOSED TO A PROSPECTIVE BUYER. OWNER AGREES TO COMPLETE AN ENVIRONMENTALLY HAZARDOUS CONDITIONS AND SUBSTANCES DISCLOSURE FORM. IF THE EXISTENCE OF ANY ENVIRONMENTALLY HAZARDOUS CONDITIONS OR SUBSTANCES IS KNOWN TO BROKER, THEN BROKER, AS YOUR AGENT, MAY DISCLOSE SUCH CONDITIONS TO PROSPECTIVE BUYERS.

**11. HOLD HARMLESS.** Owner agrees to hold Broker harmless and pay any and all costs and damages (including without limitation any court costs and attorney fees) arising out of Owner's withholding or incorrectly supplying information about any material condition or defect concerning the Property, or any action by Broker to collect its commissions, or any action by Broker with respect to deposits or escrows, or the successful defense by Broker of any action against it in connection with this Agreement or any sale or transfer or lease of the Property or any interest in the Property.

**12. GENERAL PROVISIONS.** This Agreement shall be binding upon the parties, their heirs, successors, assigns and personal representatives; shall be interpreted under and governed by the laws of the State of Connecticut; and may be modified, waived or discharged only by an agreement in writing signed by all the parties. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

**13. ACKNOWLEDGMENT AND WARRANTY.** By signing below, Owner also acknowledges receipt of a copy of this Agreement. Each undersigned Owner represents that, except as disclosed to Broker in a writing attached hereto, (i) he or she is the owner of record of the Property, or is the duly authorized agent to execute this Agreement for a corporate or other entity which is owner of record, (ii) there are no other owners of record other than the undersigned (iii) there are no foreclosures pending or threatened with respect to the Property; (iv) the Property has contiguous direct access to a public street; (v) the Property is served by all necessary utilities which connect to the Property directly from a public street; (vi) the buildings and improvements upon the Property are structurally sound and in good condition; (vii) the major systems serving the Property are in good operating condition, including, without limitation, HVAC, electrical, plumbing, water, sewer, elevators and other mechanical systems; and (viii) there are no material defects or adverse conditions associated with the Property.

**14. FACSIMILE TRANSMISSIONS.** The parties agree that this agreement may be transmitted between them by facsimile machine. The parties intend that faxed signatures constitute original signatures and that a faxed agreement containing the signatures (original and/or faxed) of all the parties is binding on the parties.



DOW & CONDON, INC.  
d/b/a COLLIERS INTERNATIONAL  
864 Wethersfield Avenue, Hartford, CT 06114  
(860) 249-6521  
Fax (860) 247-4067

By: Nicholas R. Morizio Date: 5/10/19  
Broker/Authorized Agent

Printed Name: Nicholas Morizio

RECORD OWNERS

(All record owners must sign; if record owner is a partnership, all partners must sign;  
if a limited partnership, all general partners must sign.)

1. [Signature] Date 5/31/19  
Owner/Partner/Duly Authorized Corporate Agent

Printed Name: Michael Maniscalco

Address: 20 East High street, East Hampton CT 06424 860.267.4460  
Street No. and Name City or Town State Zip Code Tel. No.

2. \_\_\_\_\_ Date \_\_\_\_\_  
Owner/Partner/Duly Authorized Corporate Agent

Printed Name: \_\_\_\_\_

Address: \_\_\_\_\_  
Street No. and Name City or Town State Zip Code Tel. No.

3. \_\_\_\_\_ Date \_\_\_\_\_  
Owner/Partner/Duly Authorized Corporate Agent

Printed Name: \_\_\_\_\_

Address: \_\_\_\_\_  
Street No. and Name City or Town State Zip Code Tel. No.



**ADDENDUM**

Whereas, the Town of East Hampton (hereinafter "Owner") and Dow & Condon Inc. d/b/a Colliers International (hereinafter "Broker") have previously executed a Listing Agreement for the Property located at 20 East High Street in East Hampton, Connecticut entered into on June 1, 2019.

Owner and Broker agree to modify the Agreement as follows:

1. The term of the Agreement is hereby extended until June 1, 2020.

The remaining terms and conditions of the Listing Agreement shall remain unchanged.

Acknowledged and Agreed:

**OWNER:**

Town of East Hampton

\_\_\_\_\_ Date \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

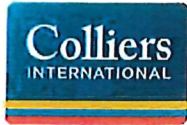
**BROKER:**

Dow & Condon Inc.

\_\_\_\_\_ Date \_\_\_\_\_

BY: \_\_\_\_\_

ITS: \_\_\_\_\_



EXCLUSIVE RIGHT TO SELL AGREEMENT
REALTORS — Industrial • Commercial • Office • Investments

THIS AGREEMENT, entered into on 6/1/19, is between The Town Of East Hampton, with an address as set forth below, the undersigned owner(s) (hereinafter "Owner"), and Dow & Condon, Inc. d/b/a Colliers International ("Broker").

Owner hereby authorizes and grants Broker the exclusive right to offer for SALE the real property (hereinafter the "Property"), located at:

20 East High Street East Hampton CT 06424
Street No. & Name Town or City State Zip Code

Known as: 20 East High Street and briefly described as:
East Hampton Town Hall

1. EXCLUSIVE RIGHT TO SELL. Broker has the exclusive right to offer the Property for SALE during the term of this Agreement and Owner will refer all inquiries about, or offers for, the Property to Broker.

2. ROLE OF BROKER. Broker will use diligent efforts to SELL the Property during the term of this Agreement. Owner acknowledges that Broker is a national brokerage firm and that in some cases it may represent prospective purchasers and tenants. Owner desires that the property be presented to such persons or entities and consents to the dual representation created thereby. Agent shall not disclose the confidential information of one principal to the other.

3. TERM OF AGREEMENT. The term of this Agreement is from June 1, 2019 through December 30, 2019 inclusive, after which Broker's obligations hereunder shall cease. Owner and Broker may extend the term upon mutual written consent.

4. SALE PRICE. Owner authorizes Broker to quote a SALE price of: \$530,000.

NOTICE: THE AMOUNT OR RATE OF REAL ESTATE COMMISSIONS IS NOT FIXED BY LAW. THEY ARE SET BY EACH BROKER INDIVIDUALLY AND MAY BE NEGOTIABLE BETWEEN THE SELLER AND THE BROKER.

5. COMMISSION EARNED. Broker earns its commission, in the amount set forth in paragraph 6 below, if during the term of this Agreement: (a) a prospective buyer or lessee is ready, willing and able to PURCHASE the Property at the price shown in paragraph 4 above, or at any other price or terms acceptable to Owner; or (b) any contract for the SALE of the Property or any portion thereof or interest therein is entered into by Owner, or (c) Owner and a prospective buyer or tenant enter into a legally binding contract for the SALE of the Property or any portion thereof or interest therein and such contract is breached or rescinded by a party or the parties; or (d) Owner SELLS the Property or any portion thereof or interest therein, or (e) Owner contributes or conveys or leases the Property, or any portion thereof or interest therein, to a partnership, joint venture or other entity in exchange for an interest therein or for other consideration, or (f) if Owner is an entity, any interest in Owner is transferred in lieu of a SALE of the Property or any portion thereof or interest therein; or (g) a party enters into an agreement with Owner granting a party the option or right to SELL the Property or any portion thereof or interest therein, including without limitation, an option to purchase or lease, a right of first offer, a right of first refusal, or other right contained in a lease or other agreement with Owner; (h) or otherwise occupies the property. Broker's commission is due and payable and deemed earned upon occurrence of any of the above-described events. The termination of any lease option, agreement or right by the mutual agreement of Owner and the other party shall not affect the right of the Broker to receive the brokerage fee agreed to be paid by Owner under paragraph 6, on the same basis as if such party did not terminate and continued to perform its obligations.

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**12. GENERAL PROVISIONS.** This Agreement shall be binding upon the parties, their heirs, successors, assigns and personal representatives; shall be interpreted under and governed by the laws of the State of Connecticut; and may be modified, waived or discharged only by an agreement in writing signed by all the parties. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

**13. ACKNOWLEDGMENT AND WARRANTY.** By signing below, Owner also acknowledges receipt of a copy of this Agreement. Each undersigned Owner represents that, except as disclosed to Broker in a writing attached hereto, (i) he or she is the owner of record of the Property, or is the duly authorized agent to execute this Agreement for a corporate or other entity which is owner of record, (ii) there are no other owners of record other than the undersigned (iii) there are no foreclosures pending or threatened with respect to the Property; (iv) the Property has contiguous direct access to a public street; (v) the Property is served by all necessary utilities which connect to the Property directly from a public street; (vi) the buildings and improvements upon the Property are structurally sound and in good condition; (vii) the major systems serving the Property are in good operating condition, including, without limitation, HVAC, electrical, plumbing, water, sewer, elevators and other mechanical systems; and (viii) there are no material defects or adverse conditions associated with the Property.

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d/b/a COLLIERS INTERNATIONAL  
864 Wethersfield Avenue, Hartford, CT 06114  
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Fax (860) 247-4067

By: Nicholas R. Morizio Date: 5/10/19  
Broker/Authorized Agent

Printed Name: Nicholas Morizio

RECORD OWNERS

(All record owners must sign; if record owner is a partnership, all partners must sign;  
if a limited partnership, all general partners must sign.)

1. [Signature] Date 5/31/19  
Owner/Partner/Duly Authorized Corporate Agent  
Printed Name: Michael Maniscalco  
Address: 20 East High Street, East Hampton CT 06424 860-267-4469  
Street No. and Name City or Town State Zip Code Tel. No.

2. \_\_\_\_\_ Date \_\_\_\_\_  
Owner/Partner/Duly Authorized Corporate Agent  
Printed Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Street No. and Name City or Town State Zip Code Tel. No.

3. \_\_\_\_\_ Date \_\_\_\_\_  
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Printed Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Street No. and Name City or Town State Zip Code Tel. No.



## TOWN OF EAST HAMPTON CT TOWN COUNCIL BY-LAWS

As adopted by Council on January 12, 2016/Re-adopted January 9, 2018

### 1. MEETING

#### 1.1 ORGANIZATIONAL MEETING

Consistent with the Town Charter (sec 2.2) in November after the biannual election there will be an organizational meeting for the purpose of choosing one member as a Chairman. The Council can also choose a Vice Chairman to act as a substitute in the instance that the Chairman is not available.

#### 1.2 HOW TO DEVELOP THE AGENDA

i. The Town Manager, in consultation with the Council Chairperson, shall prepare the agenda.

ii. Unless altered by a two-thirds vote of the Council, the regular order of business shall be as follows:

1. Call to Order and Pledge of Allegiance
2. Adoption of Agenda
3. Approval of Minutes
4. Public Remarks
5. Presentations
6. Bids & Contracts
7. Resolutions/Ordinances/Policies/Proclamations
8. Continued Business
9. New Business
10. Town Managers report
11. Appointments
12. Tax Refunds
13. Public Remarks
14. Communications, Correspondence & Announcements
15. Adjournment

iii. Any two members of Council can add an item to the agenda of a regular meeting as long as the addition is done within the following guidelines:

- Recommended addition is provided to the Town Managers office 5 calendar days prior to the Council meeting.
- All associated information for the agenda item is provided 5 calendar days prior to the Council meeting.

### 1.3 SPECIAL MEETINGS

#### 1.3a SPECIAL MEETINGS (Policy adopted 11-12-13)

Special meetings may be called by the Town Council chairperson. Two members of the Town Council may also request, through the chair, a special meeting if the subject matter demands immediate attention and cannot be deferred to the next regular meeting. Proper notice must be given for the special meeting. Only matters included in the notice may be voted upon and enacted by the Council.

#### 1.3b EMERGENCY SPECIAL MEETINGS

Emergency Special meetings may be called by the Council Chairperson or the Town Manager in case of an emergency with at least two hours' notice given to the Council members, without complying with the posting of notice requirements, but a copy of the minutes of every such Emergency Special Meeting shall be filed with the Town Clerk not later than 72 hours following the holding of such meeting in accordance with the Freedom of Information Act, sec. 1-225 (d).

### 1.4a PUBLIC REMARKS

The Council recognizes the importance of the Public to have an opportunity to address their local government. As a result all regular meetings will have a public comment section that will allow any public the opportunity to speak.

In an effort to maintain order and provide everyone with an opportunity to speak the following rules will be followed:

- The public should hold their comments until they are recognized by the Council Chairperson.
- Comments shall be directed toward the Chairperson.
- Comments shall be made consistent with Decorum section 1.4b.
- Comments shall be limited to 3 minutes.

#### 1.4b DECORUM

All meeting participants including Councilors, citizens and staff should confine their remarks to the substance of the issue at hand. Participants should avoid discussing personalities and not impugn the motive, character or integrity of any individual. The Town Council supports the right of a resident to criticize its local government, but this should be done appropriately and responsibly, with civility and discretion. All participants should address their remarks to the Council Chairperson and maintain a civil tone. The rules of conduct shall apply to all written correspondence.

Disorderly and disruptive conduct will be handled in accordance with Connecticut General Statutes 53a-182 (Disorderly Conduct) and 53a-181a (Public Disturbance) while attempting to ensure everyone's rights to an open meeting in accordance with Freedom of Information Act, C.G.S. Section 1-232.

#### 1.3c RULES OF DEBATE

i. During discussion or debate, No Councilor shall speak unless recognized by the Council Chairperson.

ii. Councilors shall confine their remarks in debate to the pending question.

iii. Any Councilor who knows in advance of a meeting that he/she wishes to obtain certain data or have a question answered, or wishes specific figures or expenditures, or the like, should, insofar as possible, inform the Town Manager in writing of the nature and details of the inquiry, so that the Town Manager will have the opportunity to have the answer available at such meeting.

iiii. Any member who realizes or anticipates that he/she has or will have a conflict of interest with respect to a matter before the Council for consideration should announce his or her intention to abstain from voting on the matter as soon as the conflict becomes apparent, and should thereafter refrain from further discussion of or involvement in the matter.

### 2. SUBCOMMITTEES

#### 2.1 STANDING SUBCOMMITTEES

There shall be the following standing committees:

- Appointments Committee- With the express purpose of interviewing and making a recommendation for appointments to Boards, Commissions and Agencies that the Town Council has Authority over.
- Personnel Committee- With the goal of reviewing and providing direction regarding the collective bargaining process.



## 2.2 HOW TO DEVELOP A SPECIAL SUBCOMMITTEE

- i. The Council may create or dissolve committees of the Council by resolution.
- ii. The Council Chairperson shall appoint members of the Council to such committees and shall designate the chair of each. The Council Chairperson may announce any adjustments in membership or chairmanship at a regular Council meeting with such changes to be effective at the next regular committee meeting.
- iii. The Council Chair shall have a representative of a minority party on all subcommittees. In the instance that this may not be feasible or the Council Chair deems it appropriate the Chair can request a minority representation waiver from the Council of the whole.
- iiii. All Councilors shall be ex-officio members of the committees to which they are not assigned, but do not have the authority to make motions or to vote.

## 3. NEW BUSINESS

In accordance with the Town Council Second Reading Policy all new business will not be identified as an action item but will strictly be for presentation purposes unless otherwise identified by the Town Manager and approved by a majority vote of the Town Council. Action will be taken on all new business items when they are moved to continued business.

## 4. BYLAWS ANNUAL REVIEW

Annually, by the end of January of each year, the Council will review the Town Council Bylaws and make amendments and additions by a simple majority vote.

## 5. COMMUNICATION WITH ATTORNEY (Policy adopted 11-12-13)

To obtain legal information from Town Attorneys, a Town Council member must contact the Town Council Chair or the Town Manager explaining their request.

All members of the council will be notified. The response from the Attorney will be emailed to all council members.

Keeping in mind that Legal Fees are increasing, we expect a monthly accounting of them and also expect a strong effort by the Town Manager and Town Council to reduce these costs.

**ADDENDUM**

**(Includes all approved Council Policies)**

## EAST HAMPTON TOWN COUNCIL

### 2<sup>nd</sup> Reading Policy

Page 1 of 1

- Purpose** In an effort to ensure the Town Council members of the Town of East Hampton have ample time to review New Business and discuss it with their constituents, the Town Council of East Hampton, Connecticut adopts a 2<sup>nd</sup> Reading Policy. The Town Council also recognizes that some New Business may have an immediate nature and would allow waiver of this policy for those occurrences in accordance with the procedures of the policy.
- Scope** This Policy applies to all citizens, staff, organizations and entities who bring business before the Town Council of East Hampton, Connecticut.
- Policy** Action should be taken on items of New Business at the first meeting when it is introduced only if it is of immediate nature and if the Town Council has had sufficient materials and review time to feel comfortable in rendering a decision. All other New Business items will be discussed and then appear for decision at a subsequent Town Council meeting depending on priority assigned to it. Items in the normal course of business tax refunds, appointments, proclamations, approval of minutes, adjournment, executive session and adoption of agenda are exempt from a second reading.
- Definitions** New Business - all matters brought before the Town Council for the first time in an effort to gain a form of action through a vote of the Town Council.
- Immediate Nature- requires a decision from the Town Council prior to their next regularly scheduled meeting.
- Procedure**
1. All business requiring a decision by the Town Council will be brought to the Town Manager's office 3 full business days prior to the meeting.
  2. Business being reviewed by Town Council for the first time will be placed in the New Business section of the agenda. All previously reviewed but not voted on items will be placed in Continued Business.
  3. During a normal Town Council meeting all items within the New Business section will be discussed and reviewed.
    - a. If an item is seen to be of an immediate nature a motion is made to exempt the item from the 2<sup>nd</sup> Reading Policy. The passage of the motion by a majority would allow Town Council to make a decision on New Business during the first reading.
    - b. If no immediate nature is present, then the item is carried forward to the next meeting where it is placed in Continued Business.
    - c. All Continued Business is discussed for the second time at which point it is now eligible for a deciding vote.
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## REQUESTS TO CONSULT WITH A CONTRACTED TOWN ATTORNEY

To obtain legal information from Town Attorneys, a Town Council member must contact the Town Council Chair or the Town Manager explaining their request in writing or verbally in a documented setting (i.e. a publicly recorded meeting). The Council Chair or Town Manager will then forward the request to the appropriate Town Attorney.

All members of the Council will be notified of both the request and response. The response from the Attorney will be emailed to all Council members.

Keeping in mind that Legal Fees are increasing, we expect a monthly accounting of them and also expect a strong effort by the Town Manager and Town Council to reduce these costs.

Adopted: 11/12/13

Revised: 4/25/17

## **SPECIAL MEETINGS EH TOWN COUNCIL**

Special meetings may be called by the Town Council chairperson. Two members of the Town Council may also request, through the chair, a special meeting if the subject matter demands immediate attention and cannot be deferred to the next regular meeting. Proper notice must be given for the special meeting. Only matters included in the notice may be voted upon and enacted by the Council.

Approved by Town Council: 11/12/13

## EAST HAMPTON TOWN COUNCIL

### Involvement In Personnel Issues

Page 1 of 1

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#### Personnel Issues

The Town Manager, as described in the Town Manager Job Description shall have primary responsibility for supervising and evaluating employees and shall meet with approved labor union representatives to resolve personnel grievances and/or complaints as necessary.

The Town Manager shall also directly negotiate with labor unions to propose contracts which must be approved by the Town Council.

No Town Council member, shall attend or in any way be engaged in meetings involving Town personnel matters.

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#### Keeping the Council Informed

The Town Manager shall, in Executive Session, keep the Town Council informed of any personnel issue that may result in:

- Termination of an employee and/or
- Litigation.

In addition, the Town Manager must seek approval from the Town Council for any proposed new or revised labor contract.

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## SURVEY POLICY

Town of East Hampton

Approved by the Town Council: January 29, 2015

**Purpose:** The responsibility for oversight of the use of taxpayer dollars rests with the Town Council. Furthermore, it is the job of the Town Council to set policy and direction for the Town of East Hampton. The Town Council would like to ensure all actions and efforts of the Town are consistent and focused in moving the Town in a consistent direction.

**Policy:** All surveys developed by Boards, Commissions, Agencies and Town Staff must be reviewed and approved by the Town Council to ensure that they conform with the Town Council's Goals and Objectives. Furthermore, the method for dissemination must also be approved by the Town Council in order to ensure fairness, impartiality and cost effectiveness.

**Procedure:**

1. All surveys developed by any department, committee, commission, agency, board or department must be forwarded in their final form to the Town Manager's office with a written request for council review. Satisfaction and comment surveys are excluded.
2. The Town Manager's office will ensure that the survey will be placed on the next Council agenda and provide copies of the survey to the Council.
3. At the Council meeting, the Council will review the survey to ensure consistency with Council goals and objectives and where applicable, send feedback and recommendations for changes to the originating entity.
4. When the Council is comfortable with the content of the survey they will make a motion to approve, amend or disapprove and vote. The vote will be recorded in the meeting minutes of the Council.
5. If approved, the Council will then make a motion with a recommendation for method of dissemination. The recommendation for method of dissemination will direct the originating entity whom the target audience should be, how they are to disseminate to that target audience and recommend a funding source, if necessary.

6. Once both actions above have been taken by the Council, they will be communicated back to the originating entity by the Town Manager's office and the originating entity will administer the survey consistent with those actions.

**Definitions:**

*Survey-* Any tool used to collect target audience input on a project, idea, goal or other issue.

*Method for dissemination-* to include but not limited to newspaper, internet and mailers. Also includes active dissemination where there is assurance that every individual in the target audience received a copy or passive dissemination where a copy is offered but is not directly provided to each individual in the target audience.

*Originating entity-* refers to the Board, Commission, Agency, Department and/or committee that is responsible for the authorship of the survey.

*Target audience-* a group of people identified for the administration of the survey. Could include the entire Town or a group of participants in a program.



# East Hampton Town Council

## East Hampton Alert Notification System

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- Purpose** The Town of East Hampton Emergency Alert System “Ever Bridge” has the capability of calling East Hampton residents that have signed up for services or are listed in the white pages. This policy has been developed in an effort to direct staff in the use of this system.
- Scope** This Policy applies to all Town Staff, Officials and First Responders when the white pages are being used to alert the community.
- Policy** The East Hampton Alerts Notification System shall be implemented to notify the public whenever an emergency is declared, status of a declared emergency, the location of essential resources and how they may be obtained.
- All residents who have registered on the town emergency alert system, through the town website (easthamptonct.org), and/or who are in the white page telephone listings shall be notified provided they have completed all available contact information.
- Definitions**
- Ever Bridge- The Emergency Alert system at the disposal of the Town of East Hampton. This system allows the Town to disseminate information through phone numbers provided by residents and the white pages.
- Emergency Situation- The following circumstances shall be considered an “emergency” for the purpose of implementing the Alerts Notification System:
- Tornado warnings;
  - Hurricanes;
  - Winter storms where essential services and utilities may be effected
  - Emergency evacuations;
  - Road closures for a period of two (2) hours or more during the day that will affect rush hour traffic;
  - Other emergency situations identified by the Chief of the Fire Department or Chief of Police and approved by the Director of Emergency Management Services and/or Town Manager. (When the Town Manager or Emergency Management Director is unavailable the Council Chair may authorize the use of the Emergency Alert system).
- Procedure**
- A. To use the Emergency Alert System, first, determine if the situation falls within the Emergency Situation Categories.
  - B. Contact the Emergency Management Director or Town Manager and provide the appropriate information including:
    - i. Reason for emergency;
    - ii. Requests for any actions or precautionary measures;
    - iii. Where and how to seek help;
    - iv. How individuals with special needs may seek assistance
  - C. The Emergency Management Director or Town Manager will authorize the activation of the Emergency Alert System, if appropriate.
  - D. After the use of the Emergency Alert System the Emergency Management Director must provide a report identifying:
    - i. The incident the system was used for;
    - ii. The information provided;
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# East Hampton Town Council

## East Hampton Alert Notification System

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**Procedure  
continued...**

- iii. The number of residents called;
- iv. The number of residents reached.

**Town of East Hampton**  
**Equal Employment Opportunity and Harassment Policy**

**I. Equal Employment Opportunity**

The Town of East Hampton (hereinafter, the "Town") is committed to a policy of ensuring equal employment opportunity and nondiscrimination for all applicants and employees without unlawful discrimination in hiring or employment. The Town does not discriminate on the basis of race, color, national origin, religion, religious creed, age, sex, gender identity or expression, genetic information, sexual orientation, marital status, disability, past or present history of mental disability, intellectual disability, learning disability or physical disability, including but not limited to: blindness, citizenship status, ancestry, political affiliation or belief, military or veteran status, or any other characteristic protected by law. In accordance with all applicable federal and state laws, this commitment to equal employment opportunity and nondiscrimination extends to all employment decisions including, but not limited to, recruitment, hiring, compensation, benefits, training and career development, promotion, demotion or downgrading, transfer, layoff, recall, and separation, as well as all other terms and conditions of employment. The Town prohibits and will not tolerate the foregoing kinds of discrimination.

**II. Harassment**

The Town is committed to providing and maintaining a work environment in which everyone is treated fairly and with respect and dignity. The Town strictly prohibits harassment of any kind in any form. For purposes of this policy, harassment consists of verbal, written, graphic, or physical conduct relating to an individual's race, color, national origin, religion, religious creed, age, sex, gender identity or expression, genetic information, sexual orientation, marital status, citizenship status, military or veteran status, or disability when such conduct: (1) is sufficiently severe, persistent or pervasive that it creates an intimidating, threatening, abusive, or hostile work environment; (2) has the purpose or effect of substantially or unreasonably interfering with an individual's work performance; (3) otherwise adversely affects an individual's employment opportunities; (4) is made either explicitly or implicitly a term or condition of an individual's employment; or (5) exposure to or rejection of such conduct by an individual is used as the basis for decisions affecting the individual's employment. Harassment as set forth above may include, but is not limited to: (i) verbal, physical, or written intimidation or abuse; (ii) repeated remarks of a demeaning or condescending nature; and (iii) repeated demeaning jokes, stories, or activities directed at the individual.

The Town's prohibition of harassment includes sexual harassment, which for purposes of this policy, shall mean unwelcome sexual advances, requests for sexual favors, and other inappropriate verbal, written, graphic, or physical conduct of a sexual nature when: (1) acceptance of such conduct is made, either explicitly or implicitly, a term or condition of an individual's continued employment; (2) submission to or rejection of such conduct by

an individual is used as the basis for decisions affecting the individual; or (3) such conduct is sufficiently severe, persistent, or pervasive that it has the purpose or effect of substantially interfering with the employee's job performance or creates an intimidating, hostile, or offensive work environment. Examples of conduct that may constitute sexual harassment include, but are not limited to, sexual flirtations, advances, touching or propositions, verbal abuse of a sexual nature, graphic or suggestive comments about an individual's dress or body, sexually degrading words to describe an individual, jokes, pinups, calendars, objects, graffiti, vulgar statements, abusive language, innuendos, references to sexual activities, overt sexual conduct, or any conduct that has the effect of unreasonably interfering with an employee's ability to work or creates an intimidating, hostile, or offensive working environment.

The Town will not tolerate harassment or the creation or existence of a hostile work environment. All Town officials and employees are expected to comply with this policy. Management and elected officials will not use their authority to harass employees, take or fail to take personnel action as a reprisal against an employee for resisting or reporting any act of harassment, or tolerate any harassment, verbal or physical, of an employee toward another employee. Anyone engaging in such conduct will be subject to discipline up to and including immediate discharge. All supervisory staff members are responsible for regularly reminding employees of this policy, and all are responsible for seeing that the Town's workplace is free of harassment.

### **III. Retaliation**

The Town strictly forbids retaliation against employees or elected officials who report harassment or who participate in internal or external investigations of harassment. The Town will not engage in any such retaliation nor will it permit employees or elected officials to do so. The Town will not tolerate retaliatory citizen behavior/actions towards employees or elected officials whom have reported harassment or participated in a harassment investigation. All employees and elected officials shall report all instances of retaliation to the appropriate individual(s) in accordance with this policy.

### **IV. Reporting Harassment**

The Town strongly urges the reporting of all incidents, or suspected incidents, of harassment, discrimination, or retaliation, regardless of the offender's identity or position. Individuals who believe they have experienced conduct that they believe to be contrary to the Town's policy or who have concerns about such matters should file complaints or report their concerns to their immediate supervisors or managers or the Town Manager. Individuals should not feel obligated to bring their complaints or reports to their immediate supervisors or managers before bringing the matter to the attention of the Town Manager. Employees can submit complaints and reports in writing, by e-mail, or by meeting in person with their supervisors or managers or the Town Manager. All oral complaints or reports must be documented in writing by the Town.

Early reporting and intervention have proven to be the most effective methods of resolving actual or perceived incidents of prohibited harassment. Therefore, while no fixed reporting period has been established by this policy, the Town strongly urges the prompt reporting of complaints or concerns so that rapid and constructive action can be taken. The Town will make every effort to stop alleged harassment before it becomes severe or pervasive, but can only do so with the cooperation of its employees. The availability of this complaint procedure does not preclude an individual who believes he/she is being subjected to harassing conduct from promptly advising the offender that his or her behavior is unwelcome and requesting that it be discontinued.

Any supervisor or manager who receives a complaint about harassment, retaliation, or who believes that someone is engaging in conduct that may be prohibited, must immediately report it to the Town Manager. Ignoring such conduct is not acceptable and may subject the supervisor or manager to disciplinary action.

#### **V. Investigating Complaints**

The Town's policy is to take all complaints and reports of harassment seriously. All complaints and reports will be investigated thoroughly, promptly, impartially, and to the extent possible, discreetly. Once a complaint is received, an investigation will be undertaken immediately and all necessary steps taken to resolve the problem. The investigation may include individual interviews with the parties involved and, when necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge. No individual who is the subject of a harassment, discrimination, or retaliation complaint shall play a role in the decision-making process with respect to the resolution of the complaint. Employees or elected officials have a duty and are obligated to participate in investigations when asked. The Town Manager will make best efforts to ensure the investigation of all complaints or reports of harassment, discrimination, or retaliation, preparation of written findings of the results of each investigation and the remedial actions proposed, and communication with any complaining party about the results of the investigation and remedial actions taken, if any. Best efforts will be made to ensure such action is taken within a reasonable period of time consistent with the circumstances of the complaint or report. Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action. If, after investigating any complaint or report of harassment or discrimination, an employee or person has intentionally provided false information regarding a harassment or discrimination complaint or report, disciplinary or legal action may be taken against that individual.

Where investigation confirms that harassment has occurred, the Town will promptly take corrective action. Discipline up to and including discharge from Town service, prohibiting access to Town facilities or property, or legal action may be implemented by the Town after the respondent to a complaint has had a chance to present his or her side of the case, and to rebut the claims made against him or her. In all cases, including those

in which a harassment complaint is made against someone who is not a town official or employee, every effort will be made to ensure that the principles of due process of law are afforded to every respondent. In this context, depending on the circumstances, due process includes, but is not limited to, the right to sufficient notice of the claims against the respondent, the right to counsel paid for by the respondent and the opportunity to rebut the allegations of the complaint in the presence of a fair and impartial decision maker.

Adopted by Town Council: September 27, 2016

## Purpose

In recognition that buildings, infrastructure, and major equipment are the physical foundation for providing services to the residents of the Town of EAST HAMPTON, a multi-year Capital Improvement Program (CIP) is prepared and reviewed annually. The purpose of the CIP is to budget for the acquisition, replacement or renovation of major capital/fixed assets. These items are generally not of a recurring nature and not included in the regular operating budget process. Careful planning during this process is critical to the procurement, construction, and maintenance of capital assets to meet the needs and activities of the Town. The General Fund, through the annual operating budget, is the primary funding source for the CIP and therefore plays an integral role in the development of the program. Proper planning and funding will mitigate budget fluctuations year over year.

A comprehensive capital plan will help ensure the future financial discipline and funding stability of the Town and systematically provide efficient delivery of public services to citizens and businesses.

Capital/Fixed Assets are categorized as follows:

- Land
- Land Improvements
- Buildings and Improvements
- Machinery and Equipment
- Infrastructure

The following Capital/Fixed Asset items are to be included in the Town's annual operating budget:

- Fixed assets that cost less than \$7,500 and are of a recurring nature and acquired each year.

General Fund capital purchases between \$5,000 and \$7,500 shall be budgeted for and separately presented in the Town's annual operating budget. A separate ORG code (i.e. department) will be established to track the expenditures. Example: 01890110 (Town Manager) 01890211 (Police Department). Within each department there will be an object code to identify the type of purchase (i.e. 5741 – Machinery & Equipment).

## Definitions

1. The **Capital improvement program** is defined as a plan for capital expenditures over a multi-year period to meet identified improvements in capital assets.
2. The **Capital Budget** is the first year of a five year plan for capital expenditures to be incurred over a given fiscal year from funds appropriated through the annual budget process for projects scheduled in the same year.
3. **Capital Equipment** is defined as any item that has an expected life of 3 (or more) years or more and a purchase price in excess of \$5,000. Items costing less than \$5,000 and lasting less than five (5) years are to be purchased from material and supply accounts. The purchase price includes any costs of acquisition or transportation of the item or other costs associated with the installation or placing it into service. The expected life for a piece of equipment is that period of time for which it will be useful in carrying out operations without major repair to its physical condition. Generally, capital equipment includes, but is not limited to, furniture and fixtures, machinery and motor vehicles.
4. **Capital Projects** are the improvements that make up the capital budget. Each project has a specific purpose, justification and cost. Projects propose physical improvements in different elements of the Town's infrastructure. Improvements include but are not limited to: construction, reconstruction, rehabilitation, modification, renovation, expansion, replacement, extension of streets, bridges, buildings, sidewalks, playgrounds, lights and acquisition of land, buildings with associated relocation, demolition and improvements such as landscaping, fencing and paving.
5. **Sinking Fund** is defined as an account composed of the accumulation of sums of money set aside periodically to provide a definite amount for a specific purpose at a certain future date. Annual calculations are equal and are calculated by dividing the total amount required by the number of years during which the figure must accumulate.

## **Criteria**

The following Capital/Fixed Asset items are to be included for consideration in the Town's Capital Improvement Program (CIP):

- The acquisition of and improvements to assets that cost \$7,500 or more and,
- The Capital/Fixed Assets, or improvements, that have an anticipated life expectancy of five years or more. Most non-recurring major expenditures are the result of the Town's acquisition of capital items that form the physical foundation for municipal services such as land, buildings, infrastructure improvements, machinery and equipment. However, there can be major expenditures for non-capital items that can be anticipated on a recurring and periodic basis and require significant funding. In addition to the above items, the following proposed expenditures may be considered in the CIP, although they may not constitute capital/fixed assets with useful lives of five years or more.
- Property revaluation required by the Connecticut General Statutes
- Technology programs and systems
- Sinking fund contributions
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These items and other similar items that may require significant funding of \$7,500 or more, and are not anticipated to be acquired each year, may be appropriate to be included in the CIP process.

The annual road paving program can be anticipated on a recurring basis; however, it requires funding of significantly more than \$7,500 and should be included in the CIP process.

This CIP provides for a five-year plan of acquisition, renovation, replacement and construction of the items included in the capital budget and includes a planning, budgetary and financing process.

Assets in excess of \$7,500 not precluded from acquisition in the general fund or other special revenue fund.

## **CAPITAL IMPROVEMENT COMMITTEE**

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### *MEMBERSHIP*

The Capital Improvement Committee shall be composed of two (2) members of the Town Council, two (2) members of the Board of Finance and one (1) member of the Board of Education with minority representation. Committee assignments shall be determined by the board chair. The Town Finance Director, Town Manager and Superintendent of Schools shall be ex-officio Committee staff members without the right to vote.

### *ROLES & RESPONSIBILITIES*

The Committee shall study proposed capital projects and improvements involving major non-recurring tangible assets and projects which: 1) are purchased or undertaken at intervals of not less than five years; 2) have a useful life of at least five years; and 3) cost over \$7,500. All town departments, boards and committees, including the Board of Education, shall, by September 1<sup>st</sup> of each year, give to the Town Manager who shall forward to the Committee information concerning all anticipated projects requiring action during the ensuing five years. The Committee shall consider the relative need, impact, timing and cost of these expenditures and the effect each will have on the financial position of the town. No appropriation shall be voted for a capital improvement requested by a department, board or commission unless the proposed capital improvement is considered by the Committee.

The Committee shall prepare an annual report recommending a Capital Improvement Budget for the next fiscal year, and a Capital Improvement Program including recommended capital improvements for the following four fiscal years. The report shall be submitted to the Board of Finance for its consideration and recommendation. The Board of Finance shall submit its recommended Capital Budget to the Town Council for approval (see Exhibit A).

Such Capital Improvement Program, after its adoption, shall permit the expenditure on projects included therein of



sums from departmental budgets for surveys, architectural or engineering advice, options or appraisals; but no such expenditure shall be incurred on projects which have not been so approved by the town through the appropriation of funds in the current year or in prior years, or for preliminary planning for projects to be undertaken more than five years in the future.

The Committee's report and the Town Council's recommended Capital Budget shall be published and made available in a manner consistent with the distribution of the annual Town budget report. The Committee shall deposit its original report with the Town Clerk.

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**CAPITAL IMPROVEMENT PROGRAM TIMING/SCHEDULE**

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As part of the annual budget process, the CIP will be prepared, presented and acted upon in accordance with the following schedule:

No later than September 1	Department, board or agency shall submit a proposed five year CIP to the Town Manager
No later than October 1	Town Manager shall provide a five year planning document to the Capital Improvement Committee summarizing department proposals for capital improvements, a recommendation of items to be included in the CIP, project priorities for the following fiscal year and proposed method/sources of funding for all recommended projects.
On or about November 1	The Capital Improvement Committee shall receive, review and recommend the 5 year CIP. The plan will then be forwarded to the Board of Finance
On or about December 1	Board of Finance shall recommend CIP to Town Council
No later than January 1	Town Council adopts the CIP for the following fiscal year
Quarterly CIP meetings	The Capital Improvement Planning Committee shall meet at least quarterly to review and discuss current and proposed capital projects.

The Town Manager will provide the Town Council periodic CIP status reports throughout the year and present detailed project status reports or design plans on an as needed basis in accordance with the applicable project schedule.

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**IDENTIFICATION OF NEEDS**

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Capital Improvement Items are considered on the basis of need and value to the community. Annually, each department, board or agency shall submit a proposed five year CIP to the Town Manager in accordance with the CIP schedule. Requested items shall include acquisition of capital assets, new construction, major renovations and improvements to municipal facilities, purchase of machinery and equipment and other items that satisfy the CIP criteria. Capital improvement proposals received outside of the formal CIP process from departments, citizens, agencies or organizations shall be forwarded to the Town Manager for review and recommendation to the Capital Improvement Committee, Board of Education, Board of Finance and Town Council as applicable.

Items that are to be included in the Capital Improvement Program include the following with an estimated cost of \$7,500 or more and have a useful life of not less than five years:

- Purchase of Land and Development Rights
- Construction of New Buildings

- Land and Building Improvements and Renovations
- Machinery and Equipment
- Infrastructure Improvements (streets, sewers, sidewalks, etc.)
- Vehicles and Construction equipment
- Feasibility Analysis/Design/Cost estimates and other professional services relative to anticipated major projects
- In addition to the above items, the CIP may include certain recurring expenditures/projects that due to their nature and anticipated cost are best appropriated through the CIP (e.g. revaluation or major software acquisition)

All Capital Projects under consideration must be submitted on forms provided by the Finance Department and include the following detail and descriptive information:

- 1) PROJECT TITLE: Enter the title best describing the project. Be concise, but as descriptive as possible.
- 2) SUBMITTED BY: Enter the Department, and division, if applicable.
- 3) CONTACT PERSON: Enter the name and telephone number of the person who can best answer detailed questions about this project.
- 4) PROJECT DESCRIPTION: Give a full, detailed description of the project. The description must contain enough information to allow for a detailed project cost estimate. If costs are estimated to exceed \$250,000 see "Estimated Costs" on page 5. If the project is construction of a building, specify the following: size; use; type of building; utility type; etc. If it is a street project, specify the following: length; width; whether it is new construction, reconstruction or resurfacing; whether it involves new signals, sewers, and/or sidewalks; etc. Photos and other documentation should also be submitted if they provide relevant information. Any project with insufficient information to develop a cost estimate will not be considered.
- 5) PROJECT JUSTIFICATION: Support the need for this project. Some of the questions you might want to consider below:
  - Does the project meet established standards, codes or mandates?
  - Does the project address a Town Council policy initiative or Board of Education goal?
  - Does it address a health, fire, safety or security concern?
  - Does it serve a segment of the community not currently served?
  - Does it foster private investment? How much?
  - Does it create jobs? How many? What type?
  - Does it support economic development (i.e. tourism)?
  - Does the project require additional staffing or operational increases (e.g. grant writer)?
  - Does the project create any revenue?
  - Do grant funds or other opportunities exist to offset costs?
  - What will happen if the Town does not undertake this project?

Use the above and as a guide in submitting justifications.

- 6) PROJECT LOCATION AND SERVICE AREA: Give a brief description of the community impact the project will have as well as the area it will serve.
- 7) SIGNATURE: The Department Director must sign the bottom of the form and date it. The signature indicates that the director approves of the submission of the project and agrees with the information provided.

## Estimated Costs

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Costs shall be estimated for all items requested as part of the five-year Capital Improvement Program. Costs for items requested in years two through five shall anticipate an escalation rate to be determined by the Town Manager and Finance Director at the beginning of the CIP process.

The steps for major capital projects in the CIP, those estimated to exceed \$250,000, may be required by the Town Manager and will generally include the following:

- A. Evaluation/feasibility phase, as necessary

- B. Preliminary design and cost estimating phase
- C. Final Design and construction

Subject to the specifics of the project, funding for steps A and B may be combined in the initial request. Cost estimates should include preliminary design fees, final design fees, architectural fees, construction management fees, construction costs, acquisition costs, contingency, escalation, legal and financing fees, including short term interest, and any other costs applicable to the project. The scope and estimated costs of in kind services shall be identified and presented along with the initial cost estimates for the project.

## **Funding**

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The Town Council, as part of the annual operating and capital budget process, will review the capital equipment and capital projects included in the CIP as recommended by the Board of Finance. The Town Manager and Finance Director will develop a recommended financing plan, with options, based on total project costs, cash flow, projected method(s) of financing the projects, Capital Reserve fund projections, mill rate and debt service impact on future operating budgets. The Town Council shall review these projections when developing project priorities and the recommended capital program for the following year. The goal is to effectively balance the total of the annual Capital Reserve Transfer and Debt Service requirements to minimize fluctuations in the mill rate in accordance with established guidelines set forth in this document.

An annual financing plan for the multi-year capital improvement plan is critical to the CIP process. Factors to be considered shall include:

- Anticipated revenue and expenditure trends and the relationship to multi-year financial plans
- Cash flow projections of the amount and timing of the capital improvement projects
- Compliance with all established financial policies
- Legal constraints imposed by Town charter or State statute
- Evaluation of various funding alternatives
- Reliability and stability of identified funding sources
- Evaluation of the affordability of the financing strategy, including debt ratios, future budgets and mill rate.

The Capital Improvement Program shall generally be funded as follows:

- A. **Capital Reserve Fund** – The Town will use the Capital Reserve Fund as the primary funding source for capital projects to be funded on a pay as you go basis. The Capital Reserve Fund is primarily funded through an annual appropriation from the General Fund.

Based on factors referenced herein the Town Council shall consider as a general guideline a minimum annual appropriation and transfer to the Capital Reserve Fund in an amount equivalent to three percent (3%) of the current adopted operating budget rounded to the next highest \$5,000. In no event shall the annual general fund contribution exceed 2 mills.

Annually the Board of Finance will review the General Fund unassigned fund balance, Capital Reserve unassigned fund balance and other funding requirements and may recommend a transfer of additional funds to the Capital Reserve Fund. The goal of the Town is to maintain an unassigned balance in the Capital Reserve Fund of an amount equivalent to \$1,000,000, except as needed to meet emergencies. The reserve policy will be reviewed annually and adjusted accordingly as part of the CIP process. Factors to be considered include evaluation of the projects in the multi-year plan, the method of financing and their effect on projected mill rates.

- B. **Capital Initiatives Fund** – This fund is primarily used to account for the construction and acquisition of major capital assets. Bond proceeds are the major funding source for projects accounted for in the fund.

- C. **Donations/Grants/Loans** – Anticipated contributions from various organizations or groups towards certain Capital Improvement projects, grants and loans will be used in financing the CIP to determine final estimated net cost to the Town.
- D. **General Obligation Bonds** – Projects that are anticipated to have a significant expenditure of funds should be considered for referendum and funded through the issuance of general obligation bonds that shall be authorized and issued in accordance with Connecticut statutes and the Town of East Hampton Charter. Projects funded through the issuance of debt must be approved by the Board of Finance, Town Council and Town Meeting. The Town Council may elect to have a project voted on at referendum in lieu of a Town Meeting.

## **AMENDING THE CAPITAL IMPROVEMENT PROGRAM**

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### **Revisions to Approved CIP Projects:**

Periodically there will be changes made to the approved CIP Projects that will require extra funding. This could arise from unanticipated inflation, change from the original project description or bids that may push up the original cost estimate. These additional funding requests will be handled as follows:

- 1- The Department or authorized entity responsible for the Project makes an initial determination that additional funds are required for a specific purpose.
- 2- The Department Head submits a written request for additional funding to the Town Manager. This request will include the original Finance Department CIP request form and will include detailed cost differences in the original Project and the revised Project.
- 3- This additional funding can be approved by the Town Manager providing the additional costs do not exceed the greater of \$7,500 or 10% of the original Project cost.
- 4- Should the Project Cost increase be more than \$7,500 or 10% of the original Project cost then the Project must go back to the CIP Committee for their review and approval.

### **Funding New and Emergency CIP Projects:**

Periodically there will be projects that arise suddenly or on an emergency basis. These projects may be recommended by employees, citizens, and members of boards or commissions.

- 1- The Department responsible for the project makes an initial determination that funds are required for a specific purpose.
- 2- The Department Head submits a written request for funds to the Town Manager. This written request is completed on the Finance Department's CIP Fund request form.
- 3- The Town Manager will make a recommendation to the CIP Committee. The Capital Improvement Committee will then make a recommendation that is forwarded to the Board of Finance.
- 4- The Town Manager will prepare a report and resolution for approval from the Board of Finance, Town Council, and Board of Education if needed. This report will be placed on the agenda of the next regular scheduled meeting of the Board of Finance and Town Council, and Board of Education if needed. Emergency meetings will be scheduled if necessary.

## **ACCOUNTING PROCEDURES**

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After all of the projects have been approved by Town Council the Finance Department will begin the process of establishing accounts for the approved programs. All appropriations will be established based upon the approved project cost and prepared by using the line item criteria established by the cost estimate forms. In addition, the

Finance Department will be responsible for the following:

- 1) Maintaining grant agreements;
- 2) Maintaining audit records;
- 3) Receiving and recording revenues;

- 4) Distributing payments;
- 5) Reconciling the general ledger;
- 6) Reconciling bank statements and investments; and
- 7) Monitoring department performance.

The Department Director or Project Manager will be responsible for the following:

- 1) Creating monthly project status reports;
- 2) Creating and maintaining project timetables;
- 3) Explaining project changes and/or cost overruns;
- 4) Providing updates to the Town Council;
- 5) Presenting projects to committee and the Town Council;
- 6) Completing data detail for the Finance Department; and
- 7) Estimating costs and/or staffing requirements.

Approved by the Town Council: September 9, 2014

**EAST HAMPTON SPECIAL REVENUE FUNDS  
POLICY on USE of SURPLUS FUNDS**

**Definition**

Special Revenue Funds are one the four classifications of *Non-major Governmental Funds*. These funds include:

Fund	Funding Source	Function	Type
Septage Disposal	Septage fees	Accumulation of resources for debt payment	1
Water System	User fees	Water operations	1
Public Safety	Fees	Police outside services	2
Culture & Recreation	User Fees	Recreation programs	3
School Cafeteria	Sale of lunches & grants	Cafeteria operations	1
Education	Federal & State grants	Education related programs	1
Public Works	Federal & State grants	Public works projects	1
Community Development	Federal grants	Town development programs	1
Civic & Human Svs.	Federal & State grants	Civic & human services & capital related purposes	1
Beneficial Assessment	Assessments	Accumulation of resources for debt payments	1
WPCA Joint Facilities	Member town fees	Regional sewer facility operations	1
WPCA Operating	User fees	Sewer operations	1

Special Revenue funds are classified into three main types: (1) those whose source of funds are grants, bequests, donation, gifts or whose sources are restricted by local, state and federal guidelines, who are exempt from this Policy; (2) those whose funds are generated from user fees which are subject to the provisions of this Policy; and those whose funds are generated from user fees for which the user receives a direct benefit (i.e. Recreational Parks Program).

Several of the Type (2) Special Revenue funds have accumulated excess or surplus funds annually or over several years.

### **Policy**

Departments subject to this Policy may request the use of excess funds to finance certain proposed capital projects which will reduce dependence on appropriations from general fund and lessen tax payer support. Such requests will be forthcoming by submission of request and need to the Town Manager who shall make his/her recommendation to the Board of Finance who shall make its recommendation to the Council for final approval.

On a quarterly basis, the Board of Finance shall review accumulated special revenue fund unrestricted balances for those funds designated Type (2) and where any unrestricted balance for a program exceeds 3.5% of the Police Patrol budget, shall recommend that such balance be transferred to the Capital Reserve Fund identified or reserved for future capital purposes relative to the source of the fund (i.e. police outside services for Public Safety). The recommendation must be approved by the Town Council before such transfer occurs.

Once transferred and deposited to the Capital Reserve Fund the Department must comply with the **Capital Reserve Fund Policy** prior to any expenditure.

Approved by the Board of Finance: June 16, 2014

Approved by the Town Council: September 9, 2014

Amended by the Town Council: September 23, 2014

Amended by the Town Council: August 4, 2015

**Town of East Hampton  
General Fund Balance Policy  
Updated for GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions  
Adopted by the Board of Finance on 7-18-2011**

**PURPOSE**

To outline the policies and procedures adopted by the Board of Finance regarding provisions for identifying and classifying fund balances in accordance with Government Accounting Standards Board Statement 54.

**BACKGROUND**

Government entities should maintain a prudent level of financial resources to protect against reducing service levels or incurring debt because of temporary revenue shortfalls or unpredicted one-time expenditures. To this end, the Board of Finance adopted a *Fund Balance Policy* on June 20, 2005.

Prior to the adoption of GASB 54 the fund balance is divided into three basic classifications for accounting and tracking purposes: designations, reserves and unreserved/undesignated. The unreserved/undesignated fund balance is the official title for what has previously been described as "fund balance" in the Town's financial reports and discussions. Reserves are legally restricted funds established for a future specific use and are not available for general appropriation. Designations have been set-aside by the Town Council for a specific purpose.

A positive fund balance serves three important functions:

1. Eliminates the need for short term borrowing to handle cash flow between the start of the fiscal year and receipt of revenue from taxes;
2. Can be periodically used to lower taxes to smooth out major fluctuations in the property tax rates;
3. Serves as a contingency fund that enables the Town to respond to unanticipated emergencies or opportunities.

Credit rating agencies determine the adequacy of the unreserved fund balance using a complex series of financial evaluations. The size of the fund balance is an important, but not the only consideration in the Town's rating. Other important factors are the reliability of a government's revenue sources, economic conditions, community wealth factors, cash position, debt ratios, management performance, and fiscal decisions made by the legislative body.

The Government Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, to become effective for financial statements with periods beginning after June 15, 2010 (Statement 54). Statement 54 is designed to improve financial reporting consistency among governmental entities. Basically, a hierarchy has been established clarifying the constraints that govern how a government entity can use amounts reported as fund balance. Statement 54 establishes the following five new fund balance classifications: Non-spendable, Restricted, Committed, Assigned, and Unassigned. The new fund balance classifications from most restrictive to no restrictions are as follows:



**FUND BALANCE DEFINITIONS**

- Fund Balance is the difference between the Town’s current assets (cash, short-term investments, receivables) expected to be available to finance operations in the immediate future and its current liabilities.
- Fund balance is Initially characterized as being restricted and unrestricted. Unrestricted Fund Balance is calculated as follows:

**Total Fund Balance**  
 Less: **Nonspendable fund balance**  
 Less: **Restricted fund balance**  
**Unrestricted Fund Balance**

**RESTRICTED FUND BALANCE CATEGORIES**

- **Nonspendable fund balance**– Amounts that cannot be spent because they are (a) not in spendable form (such as inventory, prepaid items, long term portions of notes receivables), or (b) legally or contractually required to be maintained intact (such as the corpus of an endowment fund).
- **Restricted fund balance**- Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation and includes a legally enforceable requirement that the resources be used for a particular purpose specified in the legislation.

**UNRESTRICTED FUND BALANCE CATEGORIES**

- **Committed fund balance**– Amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purposes unless the government takes the same highest-level action to remove or change the constraint.

The decision making authority for purposes of this policy can be any one of the following:

<b>Decision making authority</b>	<b>Formal Action To Be Taken</b>
<b>Town Council</b>	<b>Adoption of Resolution</b>
<b>Electors</b>	<b>Town Meeting or Referendum</b>

Amounts cannot be used for any other purpose unless the constraint is changed in a similar manner.

- **Assigned fund balance**– Amounts the Town intends to use for a specific purpose; intent can be expressed by the Town or by an official or body to which the Town delegates the authority. Appropriations of existing fund balances to future budgets are considered assigned fund balance. The Town shall not report an assignment that will result in a deficit in Unassigned fund balance.

Negative fund balances cannot be considered assigned. The expression of intent does not have to be made prior to year end.

The body authorized to assign amounts to a specific purposes for purposes of this policy is the Town Manager and Finance Director.

- **Unassigned fund balance** – Amounts that are available for any purpose; these amounts are reported only in the general fund. In other governmental funds, if expenditures incurred exceeded the amounts restricted, committed or assigned it may be necessary to report a negative unassigned fund balance.

#### **GOVERNMENTAL FUND TYPE DEFINITIONS**

- **General Fund** – all funds not reported in another fund
- **Special Revenue Funds** – Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt and capital projects. *Restricted or committed revenues is the foundation for a special revenue fund.*
- **Capital Project Funds** – Used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- **Debt Service Funds** – Used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, including resources being accumulated for principal and interest maturing in future years.
- **Permanent Funds** – Used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is for the benefit of the government or its citizenry. Permanent funds do NOT include private purpose trust funds.

#### **TOWN SPENDING PRIORITIZATION POLICY:**

The Town formally establishes and adopts the "default" spending policy, spending resources in the following manner when available: restricted, committed, assigned, and unassigned. The default policy is meant to prioritize the flow of resources from most restrictive to least restrictive for normal business activities.

#### **ASSIGNMENT DESIGNATION BY THE BOARD OF FINANCE:**

The Board of Finance authorizes the Town Manager and the Director of Finance to express assignments on behalf of the town to document the Town's intent to use available resources for specific purposes. The applicable assignments do not require formal Town approval. A change in assignment will be reported to the Board of Finance at their next regularly scheduled meeting.

## GUIDELINES

*The appropriate level of unrestricted fund balance to be maintained in the general fund.*

The Town strives to maintain an unrestricted general fund balance of not less than eight (8) percent nor more than ten (10) percent of current year budgeted general fund operating expenditures.

### Surplus:

If it is determined there is a surplus (an amount in excess of the upper limit of the unrestricted fund balance range) a recommendation by the Board of Finance may be made to the Town Council that the excess be used for the following purposes:

- To fund unforeseen expenditure requirements or unanticipated revenue fluctuations.
- Reduction or avoidance of debt. If there is short-term debt within the fund the surplus may be applied to reduce or eliminate the debt if financial analysis proves this to be advantageous for the Town. If a borrowing is scheduled, the surplus may be used to reduce the principal amount the Town needs to obtain if financial analysis proves this to be advantageous for the Town.
- Applied to a replacement program. Surplus funds may be used to supplement or enhance a capital replacement program such as vehicle, personal computer, or heavy equipment replacement, or any other capital replacement program initiated by the Town.
- One-time capital needs. Since a surplus does not represent a recurring source of revenue it should not be used to fund a recurring expense; however, if a one-time capital expenditure has been identified, the surplus may be appropriated for this use.
- To take advantage of opportunities that would have a positive economic impact for the Town of East Hampton. This may include, but not limited to, land acquisition and land development rights.
- Tax, fee, or rate stabilization. Surplus funds may be designated for stabilization in order to avoid raising taxes, fees, or rates related to the fund in subsequent years.

### Shortfall:

If it is determined there is a shortfall (an amount below the lower limit of the unrestricted fund balance range), the fund balance is to be rebuilt through the following mechanisms.

- An appropriation during the next annual budget process of at least 20% of the shortfall until the lower limit has been reached. If this is financially infeasible, a written plan shall be forwarded by the Town Manager to the Board of Finance for approval in order to restore the unrestricted fund balance to an amount within the range within a reasonable time frame. This plan may require reduction of services, increases in taxes, fees, or rates, or some combination thereof.

Adopted: Board of Finance 7-18-2011

# Town of East Hampton, Connecticut

## Debt Policy

### INTRODUCTION

The purpose of a debt policy is to establish consistent parameters and guidance for the Board of Finance and Town Council to make decisions on capital spending and issuance of debt as a means to fund them.

The Town recognizes the foundation of any well-managed debt program is a comprehensive debt policy. In addition to the general parameters, this policy provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt financing, methods of sale that may be used, and structural features that may be incorporated.

Finally, this debt policy is the Town's recognition of a binding commitment to full and timely repayment of all debt as an intrinsic requirement for entry into the capital markets. The policy helps to ensure that the Town maintains a sound debt position and that credit quality is protected.

In summary, the main advantages of a formal debt policy are as follows:

- Enhances the quality of decisions by imposing order and discipline, and promoting consistency and continuity in decision making;
- Rationalizes the decision-making process;
- Identifies objectives for staff to implement;
- Demonstrates a commitment to long-term financial planning objectives; and
- Is regarded positively by the rating agencies in reviewing credit quality.

### INTEGRATION OF CAPITAL-PLANNING AND DEBT FINANCING ACTIVITIES

**Multi Year Capital Plan.** The Town prepares a multi-year Capital Improvement Program for consideration and adoption by the Board of Finance and Town Council as part of the Town's budget process. Annually, the capital budget identifies revenue sources and expenditures for the current year and the next succeeding four fiscal years. As part of the capital project planning process, the Town evaluates the financial impact of each proposed project. The plan is updated annually.

**Funding of the Capital Improvement Program.** Whenever possible, the Town will first attempt to fund capital projects with Local Capital Improvement Program (LoCIP) grants as part of its broader capital improvement plan. If these grants are not available, the Town will use general revenues (pay-as-you go), reserve funds, excess surplus, bond financing, or a combination thereof. The Town is guided by three principles in selecting a funding source for capital improvements: equity, effectiveness and efficiency.

1 **Fairness:** Whenever appropriate the beneficiaries of a project or service will pay for it. For example, if a project is a general function of government that benefits the entire community, such as a school, police station or library, the project will be financed with general obligation bonds and repaid with general tax revenues. If, however, the project benefits specific users, such as water and sewer facilities, the revenues will be derived through user fees or charges and assessments.

2 **Effectiveness:** In assessing a source or sources of revenue for the financing of projects the Town will select one or more options that effectively pays the annual debt service costs. For example, funding a capital project or the debt service on a project with a user fee or assessment, the Town should consider the term of the assessments that will repay the financing.



3 **Efficiency:** If grants or current revenues are not available to fund a project the Town will select a financing technique consistent with acceptable risk factors and principals of equity and effectiveness. These techniques currently consist of fixed-rate general obligation or revenue bonds issued by the Town.

**Infrastructure Maintenance, Replacement and Renewal.** The Town intends to set aside sufficient current revenues to finance ongoing maintenance needs and to provide periodic replacement and renewal consistent with its philosophy of keeping the Town's capital facilities and infrastructure systems in good repair and to maximize a capital asset's useful life. It is the Town's goal to encourage plans for scheduling this maintenance.

**DEBT AUTHORIZATION (TOWN CHARTER REQUIREMENTS)**

Agency	Comment
PLANNING AND ZONING COMMISSION	Proposed project must be referred to the local Planning and Zoning Commission for approval or a report (unless project is solely purchase of movable equipment). Planning and Zoning Commission should act on referral before Town Meeting is held. Action by Commission must be by majority vote of all its members, not just a majority of those present. C.G.S. Sections 8-24; 8-22.
BOARD OF FINANCE	Prior to Town Meeting, Board of Finance must recommend appropriation and bond and note authorization. Charter, Sections 5.1, 5.2; C.G.S. Section 7-348.
TOWN COUNCIL (If Town Council decides to submit an item to referendum the Town Clerk will need 30 days notice in order to prepare)	The Town Council must recommend appropriation and bond and note authorization and set date for Special Town Meeting to act on recommendation. Charter, Section 2.4; C.G.S. Section 7-3. The Town Council can submit any item to referendum by acting not less than five days prior to the Town Meeting. Charter, Section 4.4; C.G.S. Section 7-7.
NOTICE OF TOWN MEETING (Must be submitted 3 days before publication)	When the proceedings above are complete, the Notice of Town Meeting must be posted and published at least five days prior to meeting, and the Return of Notice must be filed with Town Clerk. Publication must be in a newspaper having a general and substantial circulation in the Town. Do not include day of Town Meeting in counting five days for publishing and posting notice. Charter, Sections 2.4, 4.1; C.G.S. Sections 7-3, 7-4. Notice of referendum initiated by the Town Council should be included in notice of Town Meeting. Town meeting must be held within seven to fourteen days prior to referendum date. Charter, Section 4.4; C.G.S. Sections 7-7, 7-9c.
TOWN MEETING	Town Meeting held and full resolution authorizing appropriation, bonds and temporary notes, etc., read, moved, seconded and voted. Charter, Section 4.1. Votes on the resolution should be counted unless the votes are to be taken at a referendum initiated by the Town Council or at an adjourned Town Meeting pursuant to a petition filed under Charter, Section 4.4 and C.G.S. Section 7-7. If voting is to take place at a referendum or adjourned town meeting, ballot heading of referendum question is announced and the Town Meeting is adjourned to referendum to be held within seven to fourteen days of meeting.
ADJOURNED TOWN MEETING - REFERENDUM	Absentee ballots must be provided. C.G.S. Sections 9-135, 9-1(n), 9-369c.

## PURPOSES FOR WHICH DEBT MAY BE ISSUED

- The Town will consider financing major capital improvements with a total cost exceeding \$100,000. Such costs may include any planning, design and land acquisition costs for such improvements.
- The Town will consider issuing debt to finance projects that have been included in the Five-Year Capital Improvement Program.

## REFUNDING OF EXISTING DEBT

A refunding transaction is the issuance of new bonds to refund an outstanding bond issue(s). Most refundings are performed primarily to take advantage of current interest rates that are lower than the rates on the outstanding bonds and to realize budgetary savings. The Town may consider a refunding for three primary reasons:

- 1 To reduce interest costs;
- 2 To achieve net present value savings (NPV) that exceed two (2%) percent of the debt service amount of the refunded bonds; and
- 3 To eliminate bond covenants that may have become restrictive.

## OBJECTIVES OF ISSUING DEBT

- The Town will finance capital projects through the issuance of debt for the shortest period practical but will not exceed the useful life of the asset.
- The Town will evaluate debt management options as part of its annual Five-Year Capital Improvement Program process in order to prioritize future financing needs.
- The Town will attempt to minimize its reliance on long-term debt.

## LEGAL LIMITATIONS

- Connecticut General Statutes limit the amount of indebtedness the Town may have outstanding to seven times the total annual tax collections including interest and lien fees plus the reimbursement for revenue loss on tax relief programs.

## TYPES OF DEBT PERMITTED TO BE ISSUED AND CRITERIA FOR ISSUANCE

### TYPES

- Bond Anticipation Notes (BAN's)
- Tax Anticipation Notes (TAN's)
- General Obligation (GO) Bonds
- Revenue Bonds or Special Assessment Bonds
- Lease Purchase Financing
- Tax Increment Financing (TIF)



## CRITERIA

### a. Short Term Debt

1 **Bond Anticipation Notes:** The Town may choose to issue Bond Anticipation Notes as a source of interim funding during a project's construction phase. Such notes are generally issued for a one-year term and can be renewed for a period not to exceed ten years, subject to mandatory pay downs beginning before the end of third year. . Before issuing such notes, the Finance Director will contact the Town's Financial Advisor, for consultation.

2 **Tax Anticipation Notes:** The Town may choose to issue Tax Anticipation Notes to fund internal working capital cash flow needs. Before issuing such notes, cash flow projections will be prepared by the appropriate Town Departments and reviewed by the Finance Director. Tax Anticipation Notes should only be considered following consultation with the Town's Financial Advisor.

3 **Leasing:** Leasing is appropriate for procuring assets that are too expensive to fund with current receipts in any one year, but with useful lives too short (less than ten years) to finance with long-term debt. Leasing will be considered for assets that will be needed for only short periods of time, or which are subject to rapid technological obsolescence.

### b. Long Term Debt

1 **General Obligation (GO) Bonds:** General obligation bonds are general obligations of the Town with a full faith and credit pledge, payable from general ( property) taxes, subject to certain constitutional and statutory limitations. Bonding should be used to finance capital improvements and long-term assets, or other costs associated with the financing of a project, which has been determined to be beneficial to the citizens of the Town. Repayment sources may include but are not limited to tax revenues, project revenue, Federal and State grants, and special assessments. The Town will consider all repayment sources prior to the issuance of debt.

2 **Revenue Bonds:** The Town may also consider revenue or special assessment bonds. To enhance security when issuing revenue bonds, the Town may issue "double-barreled" bonds which are secured both by a dedicated revenue stream and by the general taxing powers the Town. The Town will strictly adhere to all provisions of the bond resolution or trust indenture including but not limited to covenants, additional bond tests, and operation and maintenance requirements. The Town, with the assistance of its Financial Advisor, will analyze the feasibility and cost benefits prior to the issuance of such bonds.

3 **Tax Increment Financing (TIF):** The Town may sponsor conduit financings for physical projects in areas designated for redevelopment, urban renewal, or municipal development that have a general public purpose and are consistent with the Town's overall service and policy objectives. Debt service on TIF bonds will be derived from the incremental tax revenues generated as a result of economic growth in the TIF District. TIF Bonds are Special Revenue Bonds; the Town will have no obligation for the repayment of these bonds.

**Credit Enhancement:** The Town shall seek to use credit enhancement (letters of credit, bond insurance, surety bonds etc.) when such credit enhancement improves marketability and cost-effectiveness.

## RESTRICTION/LIMITATIONS ON DEBT ISSUANCE

- This policy prohibits the issuance of debt for current operations.
- This policy prohibits the issuance of derivative securities.
- The Town will not issue Pension Obligation bonds.

## STRUCTURAL FEATURES OF DEBT

**Overview:** The Town plans long-term and short-term debt issuances to finance its capital improvement program based on cash flow needs, sources of revenue, construction periods, available financing instruments and market conditions.

When establishing the structure of a bond issue, a mill rate impact analysis will be performed. The analysis will incorporate the current debt structure and project the costs of various financing options available to the Town.

**Debt Repayment:** Generally, borrowings by the Town should be of a duration that does not exceed the economic life of the improvement and in no event exceed 20 years (30 years for school and sewer projects) in accordance with Connecticut General Statutes. The Town will repay, a minimum of, 50% of the Town's overall outstanding debt within ten years.

## CREDIT OBJECTIVES

Analysts at rating agencies, underwriting firms and institutional investors use debt ratios to analyze debt levels. However, the Town recognizes that ratios are one of many factors that influence bond ratings. Commonly used debt ratios of comparable sized Towns and with comparable ratings will provide one measure against which the Town can assess its debt burden. Another method is to compare ourselves against ratios developed by rating agencies, such as, *Standard & Poor's* and *Moody's Investors Service*. The analysis is not intended to determine the Town's total financial position or to project the rating level of the Town.

The Town will use the following debt ratios when reviewing the Town's capacity to issue debt:

Debt Burden Indicator	Definition	Standard & Poor's
Debt as a percentage of Full Valuation	A ratio of total direct debt to the full valuation of the most recent completed grand list.	<ul style="list-style-type: none"> <li>• Low - Below 3%</li> <li>• Moderate - 3%-6%</li> <li>• Moderately High - 6%-10%</li> <li>• High - Above 10%</li> </ul>
Debt per capita	This ratio measures net debt to population.	<ul style="list-style-type: none"> <li>• Very Low - Below \$1,000</li> <li>• Low - \$1,000-\$2,000</li> <li>• Moderate - \$2,000-\$5,000</li> <li>• High - Above \$5,000</li> </ul>
<b>Debt Service Indicators</b>		
Annual net debt service as a percentage of total General Fund expenditures (including transfers out)	The portion of operating expenditures used for debt service costs	<ul style="list-style-type: none"> <li>• Low - Below 8%</li> <li>• Moderate - 8%-15%</li> <li>• Elevated - 15%-20%</li> <li>• High - Above 25%</li> </ul>
A retirement rate of 50% of the Town's indebtedness within 10 years		Median: Greater than 50%

### Overlapping Debt

- There are no portions of the debt of other governmental entities that are payable in whole or in part by the Town (e.g. Regional School District Debt).



## METHOD OF SALE

**Competitive Sale:** The Town, as a matter of policy, will issue its debt obligations in a competitive sale when deemed cost effective and advantageous to do so .

**Negotiated Sale:** There may be instances where it is determined by the Director of Finance and approved by the Board of Finance that certain complexities of a bond financing or market conditions are such that it may be beneficial to the Town to issue its debt obligations through a negotiated sale. Such determination may be made on an issue-by-issue basis, for a series of issues, or for part or all of a specific financing program. Selection of the underwriting team shall be made pursuant to selection procedures set forth in this debt policy under "Selection of Consultants and Service Providers".

**Private Placement:** When determined appropriate by the Finance Director and approved by the Board of Finance, the Town may elect to sell its debt obligations through a private placement of limited public offering. Selection of a placement agent shall be made pursuant to selection procedures developed by the Finance Director.

## DISCLOSURE

**Rating Agencies:** Full disclosure of the Town's financial position, current operations, and local economy shall be made to the rating agencies; an open line of communication should also be maintained with the agencies. Town staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies. A credit rating will be sought from Standard & Poor's and others as recommended by the Finance Director in conjunction with the Town's financial advisor.

## POST ISSUANCE TAX & SECURITY LAW COMPLIANCE

The Finance Director will develop and implement written post-issuance compliance procedures that will enable the Town to adequately safeguard against post-issuance violations that may result in the loss of the tax-exempt status of their bonds.

**Arbitrage:** The Finance Director shall establish a system of record keeping and reporting to meet the bond gross proceeds expenditure tests and the arbitrage rebate compliance requirement of the federal tax code. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebateable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the Town's outstanding debt issues. Additionally, general financial reporting and certification requirements embodied in bond covenants shall be monitored to ensure that all covenants are complied with.

**Continuing Disclosure:** The Town is committed to continuing disclosure of financial and pertinent credit information relevant to the Town's outstanding securities and will abide by the Provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosure and its executed Continuing Disclosure Agreements.

## **SELECTION OF CONSULTANTS AND SERVICE PROVIDERS**

The Town employs outside financial specialists to assist it in developing a bond issuance strategy preparing bond documents and marketing bonds to investors. The key players in the Town's financing transactions include its financial representatives (the Finance Director and staff, among others), Bond Counsel and a Financial Advisor. Other outside firms, such as those providing paying agent/registrars, trustee, credit enhancement, auditing, or printing services, are retained as required.

The Town's Finance Director shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the Town's debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing services at competitive prices. The Finance Director shall periodically seek requests for qualifications for bond counsel and financial advisory services based on need.

## **INVESTMENT OF PROCEEDS**

The investment of idle funds must be in conformance with federal laws, state statutes, the Town Charter, and internal policies and procedures.

### **SAFETY FIRST**

Besides legality, the Town's foremost investment objective will be safety of principal.

### **LIQUIDITY**

The Town will maintain sufficient liquidity to meet project expenditure requirements.

## **REVIEW OF THIS POLICY**

**This policy shall be reviewed no later than a bi-annual basis and modified as necessary.**

**Approval:**

**APPROVED BY BOARD OF FINANCE: 12-17-2012**

**APPROVED BY TOWN COUNCIL: 04-09-13**



AGENDA  
ITEM # 12

Office of the COLLECTOR OF REVENUE  
**KRISTY MERRIFIELD, CCMC**  
kmerrifield@easthamptonct.gov

January 28, 2020

To: The East Hampton Town Council,

The documentation for the tax refunds listed below is available in the Office of the Collector of Revenue for your review. There are five (5) refunds totaling \$673.64.

Respectfully Submitted,

Kristy L. Merrifield, CCMC  
Collector of Revenue

	83.08	⊕
	191.62	⊕
	20.00	⊕
	232.74	⊕
	146.20	⊕
005	673.64	⊕