

**AGENDA
REGULAR MEETING
BOARD OF MAYOR AND BURGESSES
JULY 6, 2021**

The Borough of Naugatuck will host all borough board meetings remotely until further notice. No public will be allowed in town hall. Public comment can be accepted via email at NWHess@naugatuck-ct.gov prior to a meeting. Members of the public may also comment by phone or video during these meetings.

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Please note, a separate call in number will be provided to the burgesses for Executive Session.

1. Mayor “Pete” Hess will call the regular meeting to order at _____ p.m.
2. Pledge of Allegiance to the flag.
3. Motion by Burgess _____ that the Board of Mayor and Burgesses approve the minutes of the regular meeting of **June 1, 2021** and the special meetings of **April 27, 2021** and **June 1, 2021**. Each member received copies for review.
4. Motion by Burgess _____ that the Board of Mayor and Burgesses approve the monthly reports of **June**. Each member received copies for review.
5. Mayor’s Opening Comments
6. Public Comment – Open Topic
7. Motion by Burgess _____ that the Board of Mayor and Burgesses authorize the execution of the **Incineration Facilities Lease** and the **Wastewater Treatment Plant and Collection System Operation and Maintenance Agreement**, as if read:

WHEREAS, the Borough owns the Borough of Naugatuck sludge incineration facilities, consisting of the dedicated merchant wastewater and septage holding tank, the sludge dewatering building and equipment, the sludge incinerator and the ash lagoons; and

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WHEREAS, the Borough owns the Borough of Naugatuck wastewater treatment plant and the associated sewage collection, pumping and interceptor system; and

WHEREAS, the Borough has determined that it is in the Borough's best interests to contract with a private company on a long-term basis to lease, operate, maintain, repair, replace and manage certain sludge incineration facilities, and to permit, design, construct, startup and test certain initial capital improvements to the sludge incinerator facilities to meet the requirements of applicable law (the "Incineration Lease"); and

WHEREAS, the Borough has determined that it is in the Borough's best interests to contract with a private company on a long-term basis to operate, maintain, repair, replace and manage certain wastewater treatment system assets, and to permit, design, construct, startup, test and achieve acceptance of certain initial capital improvements to the wastewater treatment system to meet the requirements of applicable law (the "Wastewater Service Agreement"); and

WHEREAS, in April 2018, the Borough issued and sought responses to a Phase I Request for Proposals from qualified companies for services to permit, design, build, operate and maintain, and market the excess capacity of and products from a regional, municipal wastewater biosolids processing facility; and

WHEREAS, Phase I proposals were received in August 2018; and

WHEREAS, four Phase I proposals were found qualified by the Borough for biosolids services to be further considered during a Phase II Request for Proposals process; and

WHEREAS, the Phase II Request for Proposals was issued in January 2019; and

WHEREAS, the Phase II Request for Proposals was supplemented by five (5) addenda, which provided responses to clarification questions received from the potential proposers; and

WHEREAS, Addendum 1 was issued on February 15, 2019; Addendum 2 was issued on April 1, 2019; Addendum 3 was issued on April 26, 2019; Addendum 4 was issued on May 21, 2019; and Addendum 5 was issued on June 17, 2019; and

WHEREAS, proposals were originally due April 30, 2019, but Addendum 3 extended the due date to June 28, 2019, and Addendum 5 extended the due date to July 9, 2019; and

WHEREAS, three proposals were received on or before such date; and

WHEREAS, such proposals were evaluated by the Borough's Contract Operator Selection Committee and its advisers; and

WHEREAS, two proposals were selected for further consideration for possible contract negotiations, as authorized by the Phase II Request for Proposals; and

WHEREAS, the two remaining proposers selected for consideration for possible contract negotiations were Veolia Water North America – Northeast LLC ("Veolia") and Naugatuck JV (subsequently referred to as "EQ Renewables"); and

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WHEREAS, the Borough’s Contract Operator Selection Committee, with the assistance of its advisers, further evaluated the remaining proposals and sought additional clarifying information from each remaining proposer and conducted interviews with each remaining proposer; and

WHEREAS, Veolia and the Borough negotiated term sheets for the agreements for the operation and maintenance of the wastewater treatment plant and collection system and the incineration facilities lease; and

WHEREAS, the Borough’s Contract Operator Selection Committee, with the assistance of its advisers, evaluated the remaining proposals including the information obtained during the clarification process, and taking into consideration the technical evaluation factors set forth in the Phase II Request for Proposals, including qualifications, experience, and price, the Borough’s Contract Operator Selection Committee determined that Veolia provided the proposal in the Borough’s best interests; and

WHEREAS, the Borough authorized the Mayor to accept the terms of the negotiated term sheets for the Wastewater Service Agreement and the Incineration Lease pursuant to a resolution adopted on February 18, 2021; and

WHEREAS, the Borough authorized the Mayor to negotiate with Veolia as the Preferred Proposer as per the Phase II RFP, and if negotiations proved successful, to execute the agreements to be entered into pursuant to the Phase II Request for Proposals; and

WHEREAS, negotiations with Veolia proved successful; and

WHEREAS, the Wastewater Service Agreement and the Incineration Lease are in substantially final form, as negotiated by the parties; now therefore be it

RESOLVED, that the Borough hereby authorizes the Mayor to execute the Wastewater Service Agreement and the Incineration Lease with Veolia pursuant to the Phase II Request for Proposals.

ROLL CALL VOTE:

8. Motion by Burgess _____ that the Board of Mayor and Burgesses adopt the following resolution recommending an appropriation of **\$11,000,000** for certain **Wastewater System Projects** and authorizing a lease agreement, as if read:

WHEREAS, the Board of Mayor and Burgesses (the “Board”) of the Borough of Naugatuck (the “Borough”) has determined that a true and very real need exists to make certain capital improvements to its sewage collection, pumping and interception and wastewater treatment systems as provided for in that certain Service Contract for Wastewater Treatment System, Capital Improvements and Asset Management by and among the Borough, the Water Pollution Control Authority and Veolia Water North America Northeast, LLC, expected to be executed in July 2021; and

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WHEREAS, the Borough, has or will take the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition, design and construction of the Project (as hereinafter defined); and

WHEREAS, the Board proposes to finance the Project with a lease entered into with Naugatuck WSP Statutory Trust II, as Lessor (the “Lessor”) in substantially the form attached hereto as Exhibit A (the “WSP Lease”); and

WHEREAS, it is anticipated that the Lessor will assign it rights under the WSP Lease to U.S. Bank National Association (the “Certificate Trustee”) which will issue its certificates of participation in the Lease.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND BURGESSES OF THE BOROUGH OF NAUGATUCK AS FOLLOWS:

Section 1. It is hereby recommended to the Board of Finance that it appropriate \$11,000,000 for the cost of capital improvements to its sewage collection, pumping and interception and wastewater treatment systems and all alterations, repairs and improvements in connection therewith, as well as engineering, architectural and temporary and permanent financing costs, capitalized interest and reserve fund deposits (the “Project”) to be financed with the WSP Lease.

Section 2. Provided that the appropriation for the Project recommended above is approved by the Board of Finance and the Board of Finance and Board of Mayor and Burgesses sitting jointly, the WSP Lease is hereby approved substantially in the form attached hereto as Exhibit A with such changes, modifications and additions as may be approved by the Mayor and the Treasurer including the determination of the amount, dates, rents, interest rate, form and other details of such WSP Lease, all in accordance with the Charter of the Borough and the Connecticut General Statutes, as amended, or any other provision of law thereto enabling; such changes, modifications and additions to be conclusively evidenced by the execution and delivery of the WSP Lease. The obligation of the Borough to make payments pursuant the WSP Lease is unconditional and absolute. Payments pursuant to the WSP Lease, however, shall be subject to annual appropriations, such that, in the event that sufficient funds are not appropriated and there is no money lawfully available to make payments pursuant to the WSP Lease each year, the WSP Lease shall terminate. In the event of termination, the Borough shall surrender the Project to the Lessor and for a period of one year after termination, the Borough shall not acquire, purchase or lease substitute assets that perform the same functions performed by the Project. At the end of the WSP Lease term, the Project may be purchased by the Borough for \$1.00.

Section 3. The Mayor, the Treasurer and the Controller, and each of them, are hereby authorized to perform all other acts which are necessary or appropriate in connection with the execution and delivery of the WSP Lease or the issuance and sale of any certificates of participation in the WSP Lease (the “Certificates of Participation”) provided that the proceeds from the Certificates of Participation are used for the Project, including entering into a continuing disclosure agreement pursuant to the Securities and Exchange

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Commission Rule 15(c)(2)(12) and executing and delivering any acceptance certificates, escrow agreements and related documents; and if the WSP Lease is issued on a tax-exempt basis, the Mayor, the Treasurer and the Controller, and each of them, are authorized to bind the Borough pursuant to such representations and covenants as each of them deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the WSP Lease, including covenants to pay rebates of investment earnings to the United States in future years.

Section 4. The distribution of a Preliminary Offering Circular and an Offering Circular, both solely as to information concerning the Borough prepared and approved by the Mayor in connection with the issuance of the Certificates of Participation, is hereby approved.

Section 5. The Declaration of Trust (the “WSP Declaration of Trust”), by and between the Borough and U.S. Bank National Association (the “Trustee”), substantially in the form attached hereto as Exhibit B, is hereby approved including those provisions of the WSP Declaration of Trust which provide direction to the Trustee to enter into (i) a contract of purchase with Robert W. Baird & Co. Inc. to sell the Certificates of Participation, in such amounts, and with such dates, payments, interest rates and other details as the Mayor and the Treasurer may determine; (ii) a trust agreement with U.S. Bank National Association (the “Certificate Trustee”), to issue and secure the Certificates of Participation; and (iii) an assignment of the Lessor’s rights under the WSP Lease to the Certificate Trustee. The Mayor is hereby authorized to execute the WSP Declaration of Trust with such changes, additions, modifications and additional directions as may be approved by the Mayor, the execution of the WSP Declaration of Trust being conclusive evidence of such approval.

Section 6. The Mayor, the Treasurer and the Controller be, and each of them hereby is, authorized to execute such other security agreements, papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary, advisable or proper for carrying out this resolution, the terms and obligations of the WSP Lease and the WSP Declaration of Trust and the implementation of the Project.

Section 7. The Borough reasonably expects to incur expenditures (the “Expenditures”) in connection with the capital project for which a general functional description is provided above. The Borough reasonably expects to reimburse itself for the cost of the Expenditures with the proceeds of general obligation bonds and notes of the Borough described above. The maximum principal amount of such debt (both bonds and notes) is not expected to exceed \$11,000,000. This declaration of official intent is a declaration of official intent made pursuant to Treasury Regulation Section 1.150-2.
Exhibits A and B are on file in the office of the borough clerk.

ROLL CALL VOTE:

9. Motion by Burgess _____ that the Board of Mayor and Burgesses adopt the following resolution recommending an appropriation of **\$22,000,000** for certain **Incinerator Facilities Projects** and authorizing a lease agreement, as if read:

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WHEREAS, the Board of Mayor and Burgesses (the “Board”) of the Borough of Naugatuck (the “Borough”) has determined that a true and very real need exists to make certain capital improvements to its incinerator facilities as provided for in that certain the Incinerator Facilities Lease Agreement by and among the Borough, the Water Pollution Control Authority and Naugatuck Environmental Technologies LLC, expected to be executed in July, 2021; and

WHEREAS, the Borough, has or will take the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition, design and construction of the Project (as hereinafter defined); and

WHEREAS, the Board proposes to finance the Project with a lease entered into with Naugatuck IFP Statutory Trust II, as Lessor (the “Lessor”) in substantially the form attached hereto as Exhibit A (the “IFP Lease”); and

WHEREAS, it is anticipated that the Lessor will assign its rights under the IFP Lease to U.S. Bank National Association (the “Certificate Trustee”) which will issue its certificates of participation in the IFP Lease.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND BURGESSES OF THE BOROUGH OF NAUGATUCK AS FOLLOWS:

Section 1. It is hereby recommended to the Board of Finance that it appropriate \$22,000,000 for the cost of capital improvements to its incinerator facilities and all alterations, repairs and improvements in connection therewith, as well as engineering, architectural and temporary and permanent financing costs, insurance reimbursement payments, capitalized interest and deposits into reserve funds (the “Project”) to be financed with the IFP Lease.

Section 2. Provided that the appropriation for the Project recommended above is approved by the Board of Finance and the Board of Finance and Board of Mayor and Burgesses sitting jointly, the IFP Lease is hereby approved substantially in the form attached hereto as Exhibit A with such changes, modifications and additions as may be approved by the Mayor and the Treasurer including the determination of the amount, dates, rents, interest rate, form and other details of such IFP Lease, all in accordance with the Charter of the Borough and the Connecticut General Statutes, as amended, or any other provision of law thereto enabling; such changes, modifications and additions to be conclusively evidenced by the execution and delivery of the IFP Lease. The obligation of the Borough to make payments pursuant to the IFP Lease is unconditional and absolute. The payments pursuant to the IFP Lease, however, shall be subject to annual appropriations, such that, in the event that sufficient funds are not appropriated and there is no money lawfully available to make the payments pursuant to the IFP Lease each year, the IFP Lease shall terminate. In the event of termination, the Borough shall surrender the Project to the Lessor and for a period of one year after termination, the Borough shall not acquire, purchase or lease substitute assets that perform the same functions performed by the Project. At the end of the IFP Lease term, the Project may be purchased by the Borough for \$1.00.

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Section 3. The Mayor, the Treasurer and the Controller, and each of them, are hereby authorized to perform all other acts which are necessary or appropriate in connection with the execution and delivery of the IFP Lease or the issuance and sale of any certificates of participation in the IFP Lease (the “Certificates of Participation”) provided that the proceeds from the Certificates of Participation are used for the Project, including entering into a continuing disclosure agreement pursuant to the Securities and Exchange Commission Rule 15(c)(2)(12) and executing and delivering any acceptance certificates, escrow agreements and related documents; and if the IFP Lease or any portion thereof is issued on a tax-exempt basis, the Mayor, the Treasurer and the Controller, and each of them, are authorized to bind the Borough pursuant to such representations and covenants as each of them deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the IFP Lease, including covenants to pay rebates of investment earnings to the United States in future years and should the IFP Lease or any portion thereof be issued on a taxable basis, it is hereby found that the issuance of such IFP Lease is in the public interest.

Section 4. The distribution of a Preliminary Offering Circular and an Offering Circular, both prepared and approved by the Mayor in connection with the issuance of the Certificates of Participation, is hereby approved solely as to information concerning the Borough.

Section 5. The Declaration of Trust (the “IFP Declaration of Trust”), by and between the Borough and U.S. Bank National Association, (the “Trustee”), substantially in the form attached hereto as Exhibit B, is hereby approved including those provisions of the IFP Declaration of Trust which provide direction to the Trustee to enter into (i) a contract of purchase with Robert W. Baird & Co. Inc., to sell the Certificates of Participation, in one or more series, in such amounts, and with such dates, payments, interest rates and other details as the Mayor and the Treasurer may determine; (ii) a trust agreement with U.S. Bank National Association (the “Certificate Trustee”), to issue and secure the Certificates of Participation; and (iii) an assignment of the Lessor’s rights under the IFP Lease to the Certificate Trustee. The Mayor is hereby authorized to execute the IFP Declaration of Trust with such changes, additions, modifications and additional directions as may be approved by the Mayor, the execution of the IFP Declaration of Trust being conclusive evidence of such approval.

Section 6. The Mayor, the Treasurer and the Controller be, and each of them hereby is, authorized to execute such other security agreements, papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary, advisable or proper for carrying out this resolution, the terms and obligations of the IFP Lease and the IFP Declaration of Trust and the implementation of the Project.

Section 7. The Borough reasonably expects to incur expenditures (the “Expenditures”) in connection with the capital project for which a general functional description is provided above. The Borough reasonably expects to reimburse itself for the cost of the Expenditures with the proceeds of the obligations of the Borough described above. The maximum

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principal amount of such debt to be issued as a tax-exempt obligation is not expected to exceed \$22,000,000. This declaration of official intent is a declaration of official intent made pursuant to Treasury Regulation Section 1.150-2.

Exhibits A and B are on file in the office of the borough clerk.

ROLL CALL VOTE:

10. **Naugatuck/Waterbury Greenway Trail** – discussion/possible action.
11. Mayor Hess shall appoint **Burgess Jan Joseph Mizeski** as the **Burgess Liaison** to the **Inland Wetlands Commission**.
12. Motion by Burgess _____ that the Board of Mayor and Burgesses approve the following vendors to continue to provide goods and/or services for **Fiscal Year 2021/2022** and to authorize Mayor Hess to execute all contracts and related documents as recommended by Controller Allyson W. Bruce. Vendor list to be provided in an addendum.
13. Motion by Burgess _____ that the Board of Mayor and Burgesses **waive** the bids and approve the following vendors to continue to provide goods and/or services for **Fiscal Year 2021/2022** and to authorize Mayor Hess to execute all contracts and related documents as recommended by Controller Allyson W. Bruce. Vendor list to be provided in an addendum.
14. Motion by Burgess _____ that the Board of Mayor and Burgesses authorize Mayor Hess to sign a contract for “**Fiscal Year 2022 – Professional Engineering Consulting Services**” with J. Binder Consulting, Inc., 283 N. 10th Street, Surf City, NJ 08008 at a rate of **\$175.00 per hour plus expenses** as recommended by Public Works Director James Stewart.
15. Motion by Burgess _____ that the Board of Mayor and Burgesses authorize Controller Allyson W. Bruce to refund the following tax refunds approved by Tax Collector James Goggin; as if read:

Bill	Name	Address	City/State/Zip	Over Paid
2013-03-0017307	ION BANK	61 NETTLETON AVE.	NAUGATUCK, CT 06770	-549.00
2018-04-0081338	DECARVALHO, SANDRA A.	29 WINTHROP AVE.	NAUGATUCK, CT 06770	-77.84
2019-01-0003357	FEGLEY, PETER	173 EVENING STAR DR.	NAUGATUCK, CT 06770	-137.03
2019-01-0005931	LUIS, ANTONIO + NELIA	681 KING STREET	NAUGATUCK, CT 06770	-300.00
2019-01-0006740	MIZESKI, J. + HARMONY, H.	106 WOODBINE ST.	NAUGATUCK, CT 06770	-936.97
2019-03-0050068	ACAR LEASING LTD	4001 EMBARCADERO DR.	ARLINGTON, TX 76014	-347.94
2019-03-0050096	ACAR LEASING LTD	4001 EMBARCADERO DR.	ARLINGTON, TX 76014	-570.16
2019-03-0050140	ACAR LEASING LTD	4001 EMBARCADERO DR.	ARLINGTON, TX 76014	-159.84
2019-03-0057824	FERNANDES, MARCIO	169 MAPLE HILL RD.	NAUGATUCK, CT 06770	-22.50
2019-03-0059564	GREWAL, BHUPINDER S.	2 PINWOOD XING S	NAUGATUCK, CT 06770	-723.07

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2019-03-0059774	GUTOWSKI, ARLENE M.	1013 WEID DR., APT. 8F	NAUGATUCK, CT 06770	-29.70
2019-03-0062762	LAFO, STEVEN L	362 QUINN STREET	NAUGATUCK, CT 06770	-15.93
2019-03-0070901	SANTOS, JOSE A.	23 PARTRIDGE DR.	WATERBURY, CT 06708	-256.06
2019-03-0070902	SANTOS, JOSEPH D.	23 PARTRIDGE DR.	WATERBURY, CT 06708	-307.36
2019-03-0073470	TOYOTA LEASE TRUST	3200 W RAY ROAD	CHANDLER, AZ 85226	-127.98
2019-03-0073503	TOYOTA LEASE TRUST	3200 W RAY ROAD	CHANDLER, AZ 85226	-543.06
2019-04-0082475	LISKO, JASON R.	148 MEADOW ST.	NAUGATUCK, CT 06770	-68.45
2020-03-0069963	SANDERS, GENESIS J.	921 HAMILTON AVE., UNIT 5	WATERBURY, CT 06706	-452.70
			TOTAL	-5625.59

16. Public Comment – Agenda Items

17. Mayor and Burgess Comments

18. Motion by Burgess _____ to recess to Executive Session at _____ **p.m.** for discussion on the following: **Real Estate** (Parcel B – RFP, Lanxess Property), and **Pending Litigation** inviting in _____.

Mayor Hess will reconvene the meeting at _____ **p.m.**

19. Discussion/possible action on matters emanating from Executive Session.

20. Motion by Burgess _____ to adjourn the meeting at _____ **p.m.**