

Special Town Meeting
March 1, 2016

Town Clerk, Debra H. Denette called the Special Town Meeting to order at 8:05 at the Town Meeting Hall, 492 Town Street, East Haddam. Approximately one hundred (100) people were in attendance. The Pledge of Allegiance was recited.

Edward Blaschik motioned to nominate Deb Denette as Moderator. Rob Smith seconded the motion. Additional nominations were solicited, none were offered. Mr. Blaschik motioned to close nominations, Melissa Ziobron seconded the motion. The motion closing nominations carried unanimously via voice vote. The Town Clerk called for a vote appointing Deb Denette to serve as Moderator, the motion carried unanimously via voice vote.

The Moderator briefly defined the rules of conduct and read the call of the meeting. Kathy Klinck motioned to accept the call as presented. Mr. Blaschik seconded the motion. The motion accepting the call as presented carried unanimously via voice vote.

Item #1: Craig Mansfield motioned, Pete Govert provided the second that the legislative body herein assembled act upon the recommendation of the Board of Selectmen and the Board of Finance to execute a three-year contract on behalf of the Town of East Haddam with Valley Shore Emergency Communication, Incorporated to provide emergency telecommunications and 9-1-1 services.

Mr. Walter advised that KX has filed for bankruptcy. He reviewed the costs for each of the next three years with Valley Shore. The Moderator provided opportunity for comments or questions, Mrs. Ziobron inquired whether the Town would face any penalties for withdrawal from KX. Mr. Walter responded that the notice of intent to terminate was sent timely. He further opined that the sale of assets as the company disbands should settle the current debts of KX.

There being no further discussion, the Moderator called for a vote authorizing the First Selectman to execute a three-year contract on behalf of the Town of East Haddam with Valley Shore Emergency Communication, Incorporated to provide emergency telecommunications and 9-1-1 services. The motion carried unanimously via voice vote.

Item #2: Brad Parker motioned, Mrs. Ziobron provided the second that the legislative body herein assembled act upon the recommendation of the Board of Selectmen and the Board of Finance to adopt the following resolution:

RESOLVED: That the Town shall negotiate and enter into a power purchase agreement for the Shagbark Lumber Solar Facility on terms and conditions substantially as set forth in the letter of intent dated November 3, 2015, and that Mark B Walter as First Selectman is hereby authorized to execute such power purchase agreement on behalf of the Town.

Attorney Scott Jezek, representing the applicants Fred and Joanna Hunt, offered a presentation of the proposed project. Roger Nemergut engineer detailed environmental impact and siting, Attorney Jezek noted that the project falls under the jurisdiction of the siting council and not the local land use boards. Mark Sassi reviewed the virtual net metering plan. Julia L. reviewed the financial component of the project. The size of the solar farm was structured to generate enough power to operate the three schools.

The Moderator advised that generally such in-depth presentations do not occur at Town Meetings, however, she allowed it as a local public hearing was not held.

Ernest Malavasi motioned that when the vote is called that it be by paper ballot. Todd Gelston seconded the motion. Opportunity for discussion was held, none was offered. The moderator called for a vote on the motion to conduct the vote via paper ballot. The motion carried unanimously.

The Moderator offered opportunity for comments and questions regarding the project.

Mark Thiede of Two Wrastlin cats raised concerns regarding water quality for his business. Mr. Nemergut opined that there would not be impact.

Bob Mather stated that he was behind the project but wanted the large trees to remain as a buffer between his property and the solar farm.

Mr. Malavasi stated that he voted against the project moving forward as a Selectman, not because he opposes the project, but because he believed the terms of the contract (25 years) and percentage of credit (10%) should be reviewed by an expert to determine that it is fair for both parties.

Casey Carle noted support for the project after learning that it would go forward with or without the Town and stated that he would prefer that the benefit remain in East Haddam.

Mr. Gelston questioned the annual budget for electric use at the schools. Mrs. Varricchio ultimately responded that it was approximately \$315,000. It is anticipated that the credits will generate \$25,000 - \$30,000 in savings on that electric bill.

Mr. Sassi emphasized that the rate will be 10% of the value regardless of whether the market goes up or down. He emphasized that Shagbark is assuming the risk in the project.

Linda Stuhlman asked, Mr. Nemergut, answered questions relative to orientation and abutters. Attorney Jezek advised that all abutters were notified via certified mail of the petition with the siting council.

Charlene Riling inquired about a long term cost benefit analysis regarding the proposal. Mrs. Varricchio advised that the town does not have any risk in this project, accordingly, it did not perform one.

Brad Parker defined this project as a "no brainer" and equated the concept to buying groceries at Stop & Shop, which you need anyway, and being rewarded with gas points for additional savings.

Charlotte Gelston inquired what the value of the abated taxes would be. Mr. Sassi clarified that the tax incentive to Shagbark was in federal tax credits earned for solar energy. Attorney Jezek clarified that there is no tax revenue lost because none presently exists. The farm land will continue to be taxed as farmland, the new infrastructure, however, will be exempt from taxes for the term of the agreement.

Richard Parker motioned to call the question. Melissa Ziobron seconded the motion. The Moderator offered opportunity for discussion regarding the motion to end discussion and vote. Hearing none she called for a vote to end discussion regarding item #2. The motion carried unanimously.

The Moderator reminded the legislative body that a vote to conduct the vote via paper ballot carried earlier. She called upon the Registrars to coordinate the vote and re-read the question on the floor:

RESOLVED: That the Town shall negotiate and enter into a power purchase agreement for the Shagbark Lumber Solar Facility on terms and conditions substantially as set forth in the letter of intent dated November 3, 2015, and that Mark B Walter as First Selectman is hereby authorized to execute such power purchase agreement on behalf of the Town.

Item #3 As the Registrar of Voters were counting the ballots, Mr. Parker motioned, Mr. Roger Stube provided the second that the legislative body herein assembled consider and act upon the recommendation of the Board of Finance to approve a special appropriation in the amount of \$313,765.26 to Fund 3150 - Dolbia Hill Road (\$88,495.29) and Fund 3151 Jones Hill Road (\$225,269.97) to fund the deficit created by these projects and their ensuing litigation.

Mr. Walter reviewed the project which he stated was funded 80% by federal grants and 20% by State grants. He noted litigation ensued many years ago with the contractor (low bidder, required via grant documents to use). The appropriations defined herein are court ordered. Notations of the pendency of the action have been noted in the annual audits. Responding to inquiry from Mr. Rob Smith, it was noted that the appropriations are net of State receipts. Ms. Branscomb inquired what settlement the State reached with the contractor. Mr. Walter advised that the State was not a party to the suit, which is how grants are structured. There being no further comment or question, the Moderator called for a vote. The motion approving a special appropriation in the amount of \$313,765.26 to Fund 3150 - Dolbia Hill Road (\$88,495.29) and Fund 3151 Jones Hill Road (\$225,269.97) to fund the deficit created by these projects and their ensuing litigation carried with one nay voiced by T.J. Tarbox. The Moderator declared the motion passed.

The Moderator advised that the vote for item #2 was recorded at 60 yes; 17 no. The Moderator declared the following resolution passed:

RESOLVED: That the Town shall negotiate and enter into a power purchase agreement for the Shagbark Lumber Solar Facility on terms and conditions substantially as set forth in the letter of intent dated November 3, 2015, and that Mark B Walter as First Selectman is hereby authorized to execute such power purchase agreement on behalf of the Town.

Item #4 Mr. Govert motioned, Ms. Klinck provided the second that the legislative body herein assembled act upon the recommendation of the Board of Selectmen and the Board of Finance to enter into a three-year agreement with Blum Shapiro & Company PC for Financial Audit Services with the option to negotiate for an additional two years.

Mr. Walter reviewed the three bids that were received, Blum Shapiro was reported to be the low bidder. Responsive to inquiry it was reported that Blum Shapiro was the successor firm to Scully & Wolf, which has been the Town's auditor since 1983.

There being no further discussion, the Moderator called for a vote to authorize the Board of Finance to enter into a three-year agreement with Blum Shapiro & Company PC for Financial Audit Services with the option to negotiate for an additional two years. The Motion carried unanimously via voice vote.

Mr. Blaschik motioned to adjourn at 9:16 pm. Mr. Govert seconded the motion. The motion carried unanimously.

Attest: Debra H. Denette, East Haddam Town Clerk
March 7, 2016