

**TOWN OF FARMINGTON, CT
OFFICE OF THE TOWN MANAGER
REGULAR TOWN COUNCIL MEETING**

DATE: September 26, 2017
(Council Members are asked to call the Town Manager's office if they are unable to attend the meeting.)

TIME: 7:00 P.M.

PLACE: Council Chambers

AGENDA

- A. Call to Order.
- B. Pledge of Allegiance.
- C. Public Comment.
- D. Consideration of Special Topics.
 - 1. Presentation -Explore Farmington/Civic Lift – Rose Ponte, Economic Development Director
 - 2. Presentation- State Budget Update
- E. New Business.
 - 1. To approve a resolution concerning a lease purchase agreement for the acquisition and conversion of various streetlights throughout town.
- F. Executive Session.
- G. Adjournment.

cc: Town Clerk
Press
Main Library & Barney Library
Joseph Swetcky, Director of Finance & Administration
Erica Robertson, Assistant Town Manager
Paul Fiedler, Nutmeg TV

MOTION

Agenda Item D-1

Presentation of Civic Lift by Rose Ponte, Economic Development Director, and Evan Dobos, creator of Civic Lift.

NOTE: The Farmington Economic Development Commission is excited to announce a new initiative to engage our residents and business community. They have partnered with Civic Lift to create a communication channel to be a new voice of the Farmington Community. It will be launching in the coming months. Town Council members will have an exclusive opportunity to create an account during the meeting.

MOTION

Agenda Item D-2

Presentation of State Budget Update.

NOTE: If there is any change in the State Budget situation since the last report to Town Council on September 19, 2017, staff will provide an update regarding the 2017-2018 State Budget and its impact on the Town of Farmington.

MOTION:

Agenda Item E-1

To approve the attached resolution concerning a lease purchase agreement for the acquisition and conversion of various streetlights throughout town.

NOTE: Earlier this year the Town Council reviewed and approved a staff proposal to purchase approximately 1,727 streetlights from Eversource and to convert the streetlights to LED lighting. The approximate cost to acquire the lights and perform the conversion is projected to be \$1.1 million. At the time when the Town Council was reviewing the project it was proposed that the money would be obtained through a lease financing arrangement with a qualified lending institution.

On September 15, 2017 the Town accepted proposals for the lease financing. Four proposals were received from three lending institutions. The lowest rate was submitted by TD Bank Equipment Finance, Inc. of Providence R.I. at a Nominal Interest Rate of 1.86% (Option A). Other terms of the lease are:

Dollar Value of Lease:	\$1,000,000
Term:	84 Months
Payment:	Quarterly in arrears
Prepayment:	At any time subject to yield maintenance
Total Interest Cost:	\$68,832.24

Based upon the interest rate offered, and terms and conditions proposed, I recommend that we enter into a Lease Purchase Agreement with TD Bank Equipment Finance, Inc. for the acquisition of the various streetlights in Town and to convert them to LED lighting, subject to review of the lease agreement documents by Bond Counsel.

Town staff will be available to answer questions.

/Attachments

RESOLUTION OF THE FARMINGTON TOWN COUNCIL REGARDING THE PURCHASE OF STREETLIGHTS

Whereas the Town Council of the Town of Farmington (Lessee) has determined that a true and very real need exists for the acquisition of the various streetlights located throughout the Town, as described in the Lease Purchase Agreement presented to this meeting, and

Whereas, the Town Council of the Town of Farmington has taken the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of said Equipment.

Now Therefore Be It Resolved, by the Town Council of the Town of Farmington that the terms of said Lease Purchase Agreement are in the best interests of the Town for the acquisition of the various streetlights located throughout the Town and their conversion to LED lighting, and that

the Town Council designates and confirms Kathleen Eagen, Town Manager and Joseph Swetcky, Jr., Town Treasurer to execute and deliver, and to witness (or attest), respectively, the Lease Purchase Agreement and any related documents necessary to the consummation of the transactions contemplated by the Lease Purchase Agreement.

**Town of Farmington
Bid Tally Sheet
Bid 262 - Tax-Exempt Lease Financing
Bid Opening: September 15, 2017 at 11:00 am**

	Bidder 1		Bidder 2	Bidder 3	Bidder 4
	TD Bank		US Bank	Bank Funding, LLC	Carlyle Capital Markets, Inc.
	Cherry Hill, NJ		Delran, NJ	Boyd's, MD	Dallas, TX
	Option A	Option B			
Lease Term:	7 years		7 years	7 years	No Bid
Nominal Interest Rate	1.860%	1.940%	1.917%	2.020%	
Effective Interest Rate	1.870%	1.950%	1.917%	2.041%	
Total Interest Cost	\$68,832.24	\$71,855.68	\$71,004.76	\$74,884.16	
Escrow earnings rate	0.01%*	0.01%*	TBD	TBD	
Escrow fees	None	None	N/A	TBD	
Other fees (explain)	None	None	N/A	\$750 Doc Fee	

***Escrow earnings rate
subject to change based
on the current rate.**

Recommendation:

That award be made to TD Bank Equipment Financing, at a Nominal Interest Rate Of 1.86% (Option A)