



TO: Old Lyme Shores Beach Association Members
FROM: Paul J. Yellen, President
RE: Supplemental Bond Resolution Vote May 24, 2025
DATE: May 2, 2025

I hope this finds all our residents well and happy to be returning to our favorite summer place! As you all know, we've scheduled an in-person vote on the sewer project supplemental bond resolution for May 24, 2025. The vote will be held at the Middle School on Lyme Street at 10:00 am. Because of the check in process, we ask you to arrive early so all eligible voters can be verified and issued ballots in a timely manner. Please bring a photo ID.

At the WPCA and BOG meetings held this week, approval was given to the supplemental bond amount seeking approval of \$13,000,000. This, added to the original approved amount of \$9,700,000, brings the total project amount to \$22,700,000.

Attached to this document are the instructions to complete the proxy voting form, the proxy voting form itself, as well as the actual Supplemental Bond Resolution created by our Bond Counsel and reviewed and approved by the WPCA and the BOG.

If you have any questions or concerns about the in-person or proxy voting process, please reach out to a BOG member or Officer. We will answer your questions factually or will get you the answer if it is available. There are many questions that cannot be answered before the 24th. The vote is a private ballot, counted by independent persons. Voting eligibility follows our established rule of one vote per household. If you have multiple property owners only one vote can be cast for that property. If multiple persons cast ballots for a single property, all votes will be nullified. A simple majority of votes cast will pass or fail the question.

There are obviously a lot of emotions about this project and we ask that you not be swayed by threats or promises based on the result of the vote. We are doing our best to work with our partners on the State level as well as our neighbors along the shoreline with this project to be in compliance with the Consent Order. Our goal is to do what is best for all of our residents.



Instructions For Completing Proxy Voting Form

1. Select a member of the Old Lyme Shores Beach Association (i.e., an owner of property within the Association who is over the age of 21 authorized to vote) who you want to cast your ballot for you in person at the May 24, 2025 special meeting.
2. Fill out the proxy voting form, including
 - a) the name of your designated proxy
 - b) your indication of a "Yes" or "No" vote on the question
 - c) your printed name and Association address
3. Sign the proxy form in the presence of a notary public and have the notary attest to your signature
4. Place your proxy form in an envelope, seal the envelope, and write your name and your Association address on the front, along with the name of the person you have designated as your proxy.
5. Deliver your sealed envelope to your designated proxy, either by mailing it in a larger envelope or via hand delivery, so that your designee can bring your proxy vote to the special meeting on May 24, 2025.
6. Your designated proxy must attend the May 24th meeting in person to deliver your proxy vote. He/she will present themselves to the checker with a photo identification to confirm that he/she is a member of the Association and eligible to cast your proxy vote.
7. The checker will then confirm your address as indicated on the outside of the envelope, write the name of your designee next to your address, and then deposit the envelope into the ballot box.

Important Notes:

- It is your responsibility to ensure that your proxy vote is received by your designated proxy in time for them to cast it in person on May 24, 2025
- Proxy votes mailed directly to the Old Lyme Shores Beach Association P.O. Box will not be accepted.
- Only one vote per household, either proxy or in person as per OLSBA regulations will be permitted. Multiple votes from a household will nullify all votes.

Old Lyme Shores Beach Association

Proxy Form

The undersigned, a member of Old Lyme Shores Beach Association, revoking previous proxies, does hereby constitute and appoint _____, a member of the Old Lyme Shores Beach Association, as my true and lawful proxy holder. Said proxy holder has full power of substitution, for me and in my name, to vote at the following Special Meeting of the membership Old Lyme Shores Beach Association and at any adjournment or adjournment thereof. Said meeting will be held on May 24, 2025, at 10:00 AM. The voting rights set forth in this proxy shall be those in the matters described in the Proxy Statement as specified below.

Please note the following voting rules:

- The person named above as the proxy will only cast a vote on question below.
- Proxy voters will not have the authority to cast votes for any other issues that may arise at the Special Meeting.
- Any proxy received with no vote listed will only count towards the meeting quorum requirement.
- Duly signed and notarized proxy forms will be cast by the proxy holder in person at the Special Meeting.

Question Presented

“Shall the Old Lyme Shores Beach Association authorize a supplemental bond in the amount of \$13,000,000 million for the wastewater treatment project, including sewers, stormwater and road repairs, which is in addition to the \$9.7 million bond authorization approved by the Association on August 11, 2012.”

_____ Yes

_____ No

Please fill out the information below in the presence of a notary public for this proxy to be valid.

Dated this _____ day of _____, 2025

Print Name of Owner:

OLSBA Address:

(Street # and Name)

Signature of Owner: _____

Subscribed and sworn to before me this _____ day of _____, 2025

Signature of the Notary Public/Commissioner of the Superior Court

Date Commission Expires: _____

Printed Name of Notary Public/Commissioner of the Superior Court

If you have questions, please send them to the following individuals:

WPCA Chairman - Jay Moynihan - jay.moynihan@oldlymeshores.org

OLSBA President - Paul Yellen - paul.yellen@oldlymeshores.org

RESOLUTION AUTHORIZING A SUPPLEMENTAL APPROPRIATION OF \$13,000,000 FOR THE PLANNING, ACQUISITION, DESIGN AND CONSTRUCTION OF A SANITARY SEWER SYSTEM TO SERVE THE ASSOCIATION AND STORM DRAINAGE IMPROVEMENTS AND AUTHORIZING THE ISSUANCE OF BONDS, NOTES OR OTHER OBLIGATIONS IN AN AMOUNT NOT TO EXCEED \$13,000,000 TO FINANCE SAID APPROPRIATION.

RESOLVED:

Section 1. That the Old Lyme Shores Beach Association in the Town of Old Lyme, Connecticut (the "Association") make a supplemental appropriation of \$13,000,000 for the planning, acquisition, design and construction of a sanitary sewer system to serve the Association including, but not limited to, connection fees for the conveyance of sewage to an existing regional sewerage facility and all costs associated with connecting to said regional sewerage facility, pump stations, acquisition of real property as may be required for the project, engineering, land surveying, geophysical studies, rights of way and easements, related road reconstruction, water distribution system improvements, and all other tasks related to the planning, acquisition, design and construction of said project, all to be completed in substantial accordance with plans and specifications as outlined in that certain study entitled "Wastewater Facilities Planning Report, Miami Beach Association, Old Lyme, CT," dated June 19, 2015, prepared by Fuss & O'Neill, Inc., 146 Hartford Road, Manchester, Connecticut 06040 as it may be amended from time to time, and for administrative, printing, legal and financing costs and other costs related thereto (the "Sanitary Sewer System Project") and storm drainage improvements and related road reconstruction and for administrative, printing, legal and financing costs and other costs related thereto (the "Storm Drainage Project", and together with the Sanitary Sewer System Project, the "Project"). The appropriation shall include any and all federal, state or other grants-in-aid, subsidies, loan forgiveness, or other funds received for the Project. The Association's Board of Governors may reduce or modify the scope of the Project, and the entire appropriation may be expended on the Project as so reduced or modified. This supplemental appropriation is in addition to the \$9,700,000 appropriation previously approved by voters of the Association on August 11, 2012, as amended on September 8, 2019 (the "Prior Bond Resolution"). This supplemental appropriation is conditioned upon the President and Treasurer's receipt of a fully-executed agreement from the State of Connecticut which provides for a loan, grant and loan forgiveness under the State of Connecticut's Clean Water Fund Program and a fully-executed Cost-Sharing Agreement from the Miami Beach Association, Old Colony Beach Club Association and Town of Old Lyme, the terms of which said agreements are satisfactory to the Association's Board of Governors.

Section 2. That the Association shall finance said supplemental appropriation by issuing its bonds, notes or other obligations in an amount not to exceed \$13,000,000 or so much thereof as the Association's Board of Governors may deem necessary after deducting any federal or state grants or subsidies, other grants-in-aid, principal loan forgiveness or other funds received for the Project. The bonds, notes or other obligations may, in whole or in part, be secured as to both principal and interest by (a) the full faith and credit of the Association, or (b) a pledge of revenues to be derived from the Project, including, without limitation, sewerage system sewer use charges, sewerage system connection charges and sewerage system benefit assessments, or any

combination thereof, or (c) a pledge of revenues to be derived from the Project, including, without limitation, sewerage system sewer use charges, sewerage system connection charges and sewerage system benefit assessments, or any combination thereof, and also by the full faith and credit of the Association. The bonds, notes or other obligations shall be issued pursuant to the Connecticut General Statutes, as amended. The bonds, notes or other obligations may be sold as a single issue or consolidated with any other authorized issues of bonds, notes or other obligations of the Association. The bonds, notes or other obligations may be in the form of interim funding obligations, interim funding obligations in anticipation of project loan obligations, and project loan obligations issued to the State of Connecticut under the State of Connecticut's Clean Water Fund Program. The Treasurer shall keep a record of the bonds, notes and other obligations. The bonds, notes and other obligations shall be signed in the name and on behalf of the Association by the President and Treasurer, shall bear the Association seal or a facsimile thereof, shall each recite that every requirement of law relating to its issue has been duly complied with and that such bond, note or other obligation is within every debt and other limit prescribed by law, and shall state that either (a) the full faith and credit of the Association, or (b) a pledge of revenues to be derived from the Project, including, without limitation, sewerage system sewer use charges, sewerage system connection charges and sewerage system benefit assessments, or any combination thereof, or (c) a pledge of revenues to be derived from the Project, including, without limitation, sewerage system sewer use charges, sewerage system connection charges and sewerage system benefit assessments, or any combination thereof, and also by the full faith and credit of the Association, are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount, the dated date, final maturity, rate or rates of interest, the date, time of issue and sale and all other terms, details and particulars of such bonds, notes or other obligations shall be as determined by the Association's Board of Governors. Said bonds, notes or other obligations shall be sold by the President and Treasurer at public sale, by negotiation or to the State of Connecticut under the Clean Water Fund Program, as determined by the Association's Board of Governors. This supplemental bond authorization is in addition to the \$9,700,000 bond authorization in the Prior Bond Resolution. This supplemental bond authorization is conditioned upon the President and Treasurer's receipt of a fully-executed agreement from the State of Connecticut which provides for a loan, grant and loan forgiveness under the State of Connecticut's Clean Water Fund Program and a fully-executed Cost-Sharing Agreement from the Miami Beach Association, Old Colony Beach Club Association and Town of Old Lyme, the terms of which said agreements are satisfactory to the Association's Board of Governors.

Section 3. That the President and Treasurer are authorized to issue temporary notes in anticipation of the receipt of the proceeds of said bonds, notes or other obligations, including, without limitation, issuing and renewing temporary notes in the form of interim funding obligations issued to the State of Connecticut under the State of Connecticut's Clean Water Fund Program. The temporary notes shall be signed by the President and Treasurer and shall bear the Association seal or a facsimile thereof. The temporary notes shall be issued with maturity dates in accordance with the Connecticut General Statutes, as amended, or the State of Connecticut's Clean Water Fund Program, as applicable. The temporary notes shall each recite that every requirement of law relating to its issue has been duly complied with, that such temporary note is within every debt and other limit prescribed by law, and that the temporary notes, in whole or in part, are secured as to both principal and interest by either (a) the full faith and credit of the Association, or (b) a pledge of revenues to be derived from the Project, including, without limitation, sewerage system sewer use charges, sewerage system connection charges and sewerage

system benefit assessments, or any combination thereof, or (c) a pledge of revenues to be derived from the Project, including, without limitation, sewerage system sewer use charges, sewerage system connection charges and sewerage system benefit assessments, or any combination thereof, and also by the full faith and credit of the Association. The net interest cost on such temporary notes, including, without limitation, renewals thereof, and the expense of preparing, issuing, and marketing such temporary notes, to the extent paid from the proceeds from the issuance of bonds, notes, other obligations, or project loan obligations, shall be included as a cost of the supplemental appropriation.

Section 4. That the Association hereby declares its official intent under Treasury Regulation Section 1.150-2 of the Internal Revenue Code of 1986, as amended, that the Project costs may be paid from temporary advances of available Association funds and that the Association reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized for the Project; that the President and Treasurer are authorized to bind the Association pursuant to such representations and agreements as they deem necessary or advisable in order to ensure and maintain the continued exemption from federal income taxation of interest on the bonds, notes, temporary notes and other obligations authorized by this resolution, if issued on a tax-exempt basis, including, without limitation, covenants to pay rebates of investment earnings to the United States in future years; and that the President and Treasurer are authorized to make representations and agreements for the benefit of the holders of the bonds, notes, temporary notes and other obligations to provide secondary market disclosure information and to execute and deliver on behalf of the Association an agreement to provide such information with such terms and conditions as they, with the advice of bond counsel, deem necessary and appropriate, including, without limitation, bonds, notes, temporary notes and other obligations issued by the State of Connecticut under the State of Connecticut's Clean Water Fund Program.

Section 5. That the Association's Board of Governors is hereby authorized, empowered and directed in the name and on behalf of the Association to direct the President and Treasurer to execute and deliver one or more loan, grant and loan forgiveness agreements under the State of Connecticut's Clean Water Fund Program, one or more interim funding obligations, one or more project loan obligations, and such other instruments, documents and agreements related to the aforementioned agreements and obligations, and to take such other and further action, as the Association's Board of Governors shall deem necessary, appropriate or desirable to carry out the purpose and intent of this resolution and to effectuate the transactions contemplated by this resolution, including, without limitation, contracting with vendors and others on behalf of the Association for the Project and approving construction expenditures for the Project.

Section 6. That the President and the Treasurer are hereby authorized, empowered and directed in the name and on behalf of the Association to apply for any federal or state grants or subsidies, other grants-in-aid, loans and principal loan forgiveness, including, but not limited to, those through the State of Connecticut's Clean Water Fund Program.

Section 7. That the Association's Board of Governors is hereby authorized, empowered and directed in the name and on behalf of the Association to accept or reject any federal or state grants or subsidies, other grants-in-aid, loans and principal loan forgiveness, including, but not limited to, those through the State of Connecticut's Clean Water Fund Program

and is further authorized to take all actions necessary and proper to obtain such grants, subsidies, grants-in-aid, loans and principal loan forgiveness and to take such other and further action, as the Association's Board of Governors shall deem necessary, appropriate or desirable to carry out the purpose and intent of this resolution, including, but not limited to, implementing such project loan and project grant agreements, project loan and project grant and loan forgiveness agreements, and similar agreements with the State of Connecticut, to carry out the Project, to effectuate the transactions contemplated hereby, and to issue the bonds, notes, temporary notes and other obligations to finance the appropriation.

Section 8. Notwithstanding anything contained herein to the contrary, the total appropriation and bond authorization for the Sanitary Sewer System Project under this resolution and the Prior Bond Resolution shall not exceed \$18,700,000.