



ORDINANCE

CITY OF DANBURY, STATE OF CONNECTICUT
CITY COUNCIL

_____ A.D. 2016

Be it ordained by the City Council of the City of Danbury:

AN ORDINANCE APPROPRIATING \$3,000,000 FOR PUBLIC IMPROVEMENT PROJECTS IN THE 2016-2017 CAPITAL BUDGET AND AUTHORIZING THE ISSUANCE OF \$3,000,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Section 1. The sum of \$3,000,000, inclusive of any and all State and Federal grants-in-aid thereof, is appropriated for the public improvement projects hereinafter listed (the "Project"):

<u>Project</u>	<u>Estimated Cost</u>
City Sidewalk/Street Improvements	\$ 100,000
Still River Project – including the removal of vegetation, dredging, and river wall repair	500,000
Paving, Drainage and Road Improvements – such roads as determined by the Public Works Director	450,000
Replace Highway Department Equipment	125,000
Octagon House Rehabilitation	250,000
HVAC Replacement Program (City Buildings)	125,000
Public Buildings Vehicle Replacement Program	150,000
School Roof Replacement Program	750,000
School HVAC Replacement Program	200,000
Property Revaluation	300,000
Building/Structure Improvements at Animal Control	50,000
TOTAL:	<u>\$3,000,000</u>

Section 2. To meet said appropriation \$3,000,000 bonds of the City are hereby authorized to be issued maturing not later than the twentieth year after their date. Said bonds may be issued in one or more series as determined by the Mayor and the Director of Finance provided that the total amount of bonds to be issued shall not be less than an amount which will provide funds sufficient with other funds available for such purpose to pay the principal of and the interest on all temporary borrowings in anticipation of the receipt of the proceeds of said bonds outstanding at the time of the issuance thereof, and to pay for the administrative, printing and legal costs of issuing the bonds. The bonds shall be in the denomination of \$5,000 or a whole multiple thereof, be issued in fully

registered form, be executed in the name and on behalf of the City by the facsimile or manual signatures of the Mayor and the City Treasurer, bear the City seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company, and be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford. The bonds shall be general obligations of the City and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent and the paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds including the rate or rates of interest shall be determined by the Mayor and the Director of Finance.

Section 3. The bonds of each series shall be sold by the Mayor in a competitive offering or by negotiation, in his discretion. If sold in a competitive offering, the bonds shall be sold at not less than par and accrued interest on the basis of the lowest net or true interest cost to the City. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the bonds are sold by negotiation, the purchase agreement shall be approved and executed on behalf of the City by the Mayor, the City Treasurer and the Director of Finance.

Section 4. The City Treasurer is authorized to make temporary borrowings in anticipation of the receipt of the proceeds of said bonds. Notes evidencing such borrowings shall be signed by the Mayor and the City Treasurer, have the seal of the City affixed, be payable at a bank or trust company designated by the City Treasurer, be approved as to their legality by Robinson & Cole LLP, Attorneys-at-Law, of Hartford, and be certified by a bank or trust company designated by the City Treasurer pursuant to Section 7-373 of the General Statutes of Connecticut, as amended. They shall be issued with maturity dates which comply with the provisions of the General Statutes governing the issuance of such notes, as the same may be amended from time to time. The notes shall be general obligations of the City and each of the notes shall recite that every requirement of law relating to its issue has been duly complied with, that such note is within every debt and other limit prescribed by law, and that the full faith and credit of the City are pledged to the payment of the principal proceeds thereof, to the extent required, shall be applied forthwith to the payment of the principal of and the interest on any such notes then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 5. The appropriation may be expended with the approval of the Mayor and the Director of Finance to meet the actual cost of any of the projects set forth in Section 1, and the balance of any of the estimated amounts not needed to meet the cost of any of the projects set forth in Section 1, or the proceeds of any bonds not needed to meet the cost of any such projects, may be transferred by the Mayor and the Director of Finance to meet the actual cost of any other project set forth in Section 1.

Section 6. The Mayor is authorized in the name and on behalf of the City to apply for and accept any and all federal and State loans and/or grants-in-aid of the Project and is further authorized, in connection with the Project, to contract in the name of the City with engineers, contractors and others.

Section 7. The City hereby expresses its official intent pursuant to §1.150-2 of the Federal Income Tax Regulations, Title 26 (the "Regulations"), to reimburse expenditures paid sixty days prior to and anytime after the date of passage of this ordinance in the maximum amount and for the capital projects defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the City. The Bonds shall be issued to reimburse such expenditures not later than 18 months after the later of the date of the expenditure or the substantial completion of the project, or such later date the Regulations may authorize. The City hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Mayor or his designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds.

Section 8. The Director of Finance is hereby authorized, on behalf of the City of Danbury, to enter into agreements or otherwise covenant for the benefit of bondholders to provide information on an annual or other periodic basis to the Municipal Securities Rulemaking Board (the "MSRB") and to provide notices to the MSRB of material events as enumerated in Securities and Exchange Commission Exchange Act Rule 15c2-12, as amended, as may be necessary, appropriate or desirable to effect the sale of the bonds and notes authorized by this ordinance. Any agreements or representations to provide information to the MSRB made prior hereto are hereby confirmed, ratified and approved.

Section 9. The Director of Finance or his designee is hereby authorized, on behalf of the City, to enter into any other agreements, instruments, documents and certificates, including tax and investment agreements, for the consummation of the transactions contemplated by this resolution.

City Council Committee Meeting as a Whole
DANBURY CITY COUNCIL
Ordinance Regarding Public Improvements in 2016-2017 Capital Budget-Bond Issuance
April 26, 2016

Honorable Mayor Mark D. Boughton
Members of the City Council

President Cavo called the meeting to order at 7:00 p.m. in City Hall Council Chambers.

COUNCIL MEMBERS PRESENT: Philip D. Curran, Christina Chieffalo, Jack Knapp, Warren Levy, Gregg Seabury, Andrew Wetmore, Irving M. Fox, Vinny DiGilio, Joe Cavo, Thomas J. Saadi, Fred Visconti, Elmer Palma, Christopher J. Arconti, John J. Esposito, Duane Perkins, Benjamin Chianese, Paul T. Rotello, Nancy Cammisa, and Joseph Scozzafava.

COUNCIL MEMBERS ABSENT: Michael J. Esposito is working at the polls; John Priola is at a Richter Park Authority Meeting.

PRESENT: 19 ABSENT: 2

ALSO PRESENT: Laszlo L. Pinter, Deputy Corporation Counsel; Robert J. Yamin, Corporation Counsel; and David St. Hilaire, Director of Finance.

An Ordinance Appropriating \$3,000,000 for Public Improvements in The 2016-2017 Capital Budget and Authorizing the Issuance of \$3,000,000 Bonds of the City to Meet Said Appropriations And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose

Mr. Rotello stated they are acting as a full Ad Hoc of Council and this will go to the regular Council next week.

Mr. Chianese stated his understanding that the City was moving away from issuing bonds for items less than five years old, and requested further clarification, which Mr. St. Hilaire provided in detail including timing issues.

Mr. Saadi asked hypothetical questions on intent and purpose of bonding funds, reauthorization, repurposing, and unused funds, to which Mr. St. Hilaire responded regarding processes, timing, and historical examples. He also responded to Mr. Saadi that the HVAC and roof replacements are for general purposes as opposed to a specific school, and what happens if they are not used. Also, responses were given regarding the Still River Project funding; it was noted this is a multi-year project.

A motion was made by Vinny DiGilio, seconded by Gregg Seabury, to recommend adoption of the Ordinance for \$3,000,000 for Public Improvements in the Issuance of \$3,000,000 of Bonds of the City of Danbury to meet such obligations and to make the temporary borrowings for such purpose. The motion carried unanimously.

The Committee ended discussion of this item at 7:17 p.m.

Respectfully submitted,

Lori Goor
Recording Secretary

Attest,
Mark D. Boughton, Mayor