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CITY OF DANBURY

OFFICE OF THE MAYOR
155 DEER HILL AVENUE
DANBURY, CONNECTICUT 06810

MARK D. BOUGHTON
MAYOR

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July 28, 2014

Honorable City Council
155 Deer Hill Avenue
Danbury CT 06810

Re: November Bond Issuance ordinance
Danbury Road Bond 2020

Dear Council Members:

I am submitting for your consideration an ordinance package from Bond Counsel that I ask your consideration be approved and then submitted to voter approval on November 4, 2014.

The package will contain improvements for City **roads, bridges and public building roofs** totaling up to \$20M, to be designated toward specified projects by determination of need and analysis through the Department of Public Works in consultation with other City departments and retained experts. This will be our "**Danbury Road Bond 2020**" program. We expect that a summary of proposed projects will be provided at the committee and public hearing session.

While it is possible that certain of these bond-funded projects may be reimbursable through non City (State or federal) dollars, we want to be certain that adequate funds are available to have on hand to accomplish these vital infrastructure improvements City-wide. The ordinance has been prepared to permit maximum flexibility for receipt and use of Grant funds where available and appropriate to defray the costs of capital work and as set forth in the City's multi-year Capital Improvement Plan ("CIP").

Kindly refer the ordinance to committee and public hearing during the month of August **for return to the Council agenda in September**. This will allow sufficient time for the steps needed to timely place the bond question on the November 4th ballot. Bond counsel will provide adoption documentation for the public hearing and for your full and further consideration.

Please feel free to contact me should you require any further information.

Sincerely,

Mark D. Boughton, Mayor

Attachment

"November2014BONDfinal"

4-1



RESOLUTION

CITY OF DANBURY, STATE OF CONNECTICUT

_____ A.D. 2014

RESOLVED BY THE CITY COUNCIL OF THE CITY OF DANBURY

RESOLUTION PROVIDING FOR SPECIAL CITY MEETING

RESOLVED: That the ordinance entitled "An Ordinance Appropriating \$20,000,000 For Various Public Improvements And Authorizing The Issuance Of \$20,000,000 Bonds Of The City To Meet Said Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose", adopted by the Council on _____, be submitted for approval or disapproval at a Special City Meeting to be called by the Mayor pursuant to Section 7-10(a) of the Revised City Charter and held in conjunction with a referendum on November 4, 2014, between the hours of 6:00 o'clock A.M. and 8:00 o'clock P.M. (E.S.T.), that the warning of said meeting states the question to be voted on as follows:

1. Shall the ordinance entitled "An Ordinance Appropriating \$20,000,000 For Various Public Improvements And Authorizing The Issuance Of \$20,000,000 Bonds Of The City To Meet Said Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose", adopted by the City Council at its meeting held _____, 2014, be approved?

The ballot label for said question shall read as follows:

Shall the \$20,000,000 appropriation and bond authorization for various public improvements be approved?

YES _____ NO _____

The warning shall also state that the full text of the aforesaid ordinance is on file, open to public inspection, in the Office of the Town Clerk, that the vote on the aforesaid bond ordinance is taken under the authority of Section 7-10(a) of the Revised Charter of the City of Danbury and Chapter 152 of the Connecticut General Statutes, as amended, and that absentee ballots will be made available in accordance with law in the Office of the Town Clerk.



ORDINANCE

CITY OF DANBURY, STATE OF CONNECTICUT

CITY COUNCIL

_____ A.D. 2014

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

AN ORDINANCE APPROPRIATING \$20,000,000 FOR VARIOUS PUBLIC IMPROVEMENTS AND AUTHORIZING THE ISSUANCE OF \$20,000,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

RESOLVED:

Section 1. The sum of \$20,000,000 is hereby appropriated to meet the estimated costs of the various public improvements set forth below as the same may be more fully set forth in the City of Danbury multi-year Capital Improvement Plan, as described within the City of Danbury annual adopted budget for the fiscal year then ending (collectively, the "Projects"), said appropriation to be inclusive of any administrative, financing, legal and costs of issuance related thereto, and said appropriation to be exclusive of any and all State and Federal grants-in-aid thereof.

Public Safety

The Public Safety Communications Network and Equipment Upgrades/Replacement Program, including without limitation, capital repairs, enhancements, improvements, and upgrades leading to the extension of the useful life of equipment. \$1,000,000

Public Works

The Road Reconstruction Program, including without limitation, the planning, design, acquisition and construction of the rebuilding, paving, drainage remediation, drainage easement acquisition, cross culvert repair and replacement, curbing, guardrail, resurfacing, lighting, installation of sprinklers in median and islands, thoroughfare beautification and significant repairs related to City streets, parking lots and easements. 6,500,000

The Public Works Equipment and Vehicle Replacement Program, including without limitation, the replacement or acquisition of equipment, capital repairs, improvements or upgrades leading to the extension of the useful life of equipment. 3,000,000

Engineering

The Bridge Repair/Replacement Program, including without limitation, the planning, design, acquisition, construction of bridge replacements and repairs leading to the extension of the useful life of all City-owned bridges. 4,000,000

Public Buildings

The Roof Replacement Program, including without limitation, the planning, design, acquisition and construction of roof replacements or roof repairs with respect to all City-owned buildings and structures. 5,500,000

TOTAL: \$20,000,000

Section 2. To meet said appropriation \$20,000,000 bonds of the City or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the maximum maturity permitted by the General Statutes of Connecticut, as amended from time to time (the "Connecticut General Statutes"). Said bonds may be issued in one or more series as determined by the Mayor and the Director of Finance and the amount of bonds of each series to be issued shall be fixed by the Mayor and the Director of Finance in the amount necessary to meet the City's share of the cost of the project determined after considering the estimated amount of the State grants-in-aid of the project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, 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 \$1,000 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 paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest, shall be determined by the Mayor and the Director of Finance, in the best interest of the City.

Section 3. The bonds 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, provisions of the purchase agreement shall be approved 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 Mayor, 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 Connecticut General Statutes. They shall be issued with maturity dates which comply with the provisions of the Connecticut 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 thereof and the interest thereon. The net interest cost on such notes, including renewals thereof, and the expense of preparing, issuing and marketing them, to the extent paid from the

proceeds of such renewals or said bonds, shall be included as a cost of the project. Upon the sale of the bonds, the 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 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 for the project and is further authorized to expend said funds in accordance with the terms thereof.

Section 6. 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 project 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 7. The Director of Finance is hereby authorized, on behalf of the City, 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 8. This ordinance shall become effective upon its approval at a Special City Meeting called by the Mayor for such purpose, pursuant to the revised City Charter.