

Minutes of a special Town Council meeting held on January 30, 2012 at 3:00 o'clock PM in the Town Hall, 40 Commons, Little Compton, RI. Members present: Charles N. Appleton, Jr., Fred M. Bodington, III and Robert L. Mushen. Absent: Paul J. Golembeske and Gary S. Mataronas. Also in attendance: Tom Alder, School Building Needs Committee Chairman.

Consideration was given to a draft Resolution memorializing the General Assembly to adopt legislation to allow the Town of Little Compton to secure a bond for emergency needs of the Wilbur-McMahon School. Bond Counsel has provided the draft language for the Special Act to be presented to the General Assembly and asks that the Council adopt the Resolution with the Act attached. It was clarified that the Town will not be able to set a date for a special election to consider a referendum until the General Assembly has adopted the Act proposed.

Motion made by Councilor Mushen, receiving a second from Councilor Appleton, voting in favor (Appleton, Bodington, Mushen): To adopt the following Resolution and proposed Act for delivery to the General Assembly for consideration:

A RESOLUTION MEMORIALIZING THE GENERAL ASSEMBLY TO ENACT LEGISLATION AUTHORIZING THE TOWN OF LITTLE COMPTON TO FINANCE HEALTH, SAFETY AND FIRE CODE-RELATED EMERGENCY REPAIRS, ALTERATIONS,

RENOVATIONS, IMPROVEMENTS, LANDSCAPING AND EQUIPPING AND FURNISHING OF, THE WILBUR & MCMAHON SCHOOLS AND ALL ATTENDANT EXPENSES INCLUDING, BUT NOT LIMITED TO, ENGINEERING AND ARCHITECTURAL COSTS AND TO ISSUE NOT MORE THAN \$11,310,000 BONDS AND/OR NOTES THEREFOR

WHEREAS, the Town Council of the Town of Little Compton endorses and supports the financing of health, safety and fire code-related emergency repairs, alterations, renovations, improvements, landscaping and equipping and furnishing of, the Wilbur & McMahon schools and all attendant expenses including, but not limited to, engineering and architectural costs (the “Project”),

WHEREAS, in order to undertake and complete the Project, there would be a need to issue bonds and notes in an amount not to exceed \$11,310,000. NOW, THEREFORE, BE IT

RESOLVED: that the Town of Little Compton hereby memorializes the General Assembly to enact legislation authorizing the Town, with the approval of the qualified electors, to issue bonds and notes in an amount not to exceed Eleven Million Three Hundred Ten Thousand Dollars (\$11,310,000) for the above purposes. AND BE IT FURTHER

RESOLVED: that the Town Solicitor, working with Bond Counsel for the Town of Little Compton, ensure that the appropriate legislation in substantially the form attached hereto is submitted in a timely

manner to the Rhode Island General Assembly to ensure that all requirements are met to ensure consideration of this question by the electors. AND BE IT FURTHER

RESOLVED: that this resolution is an affirmative action of the Town Council of the Town of Little Compton toward the issuance of bonds or notes in accordance with the purposes of the laws of the State. This resolution constitutes the Town's declaration of official intent, pursuant to Treasury Regulation Section 1.150(2), to reimburse the Town for certain capital expenditures for the Project paid on or after the date which is sixty (60) days prior to the date of this resolution but prior to the issuance of the bonds or notes. Such amounts to be reimbursed shall not exceed \$11,310,000 and shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid, or (b) the date the Project is placed in service or abandoned, but in no event later than three (3) years after the date the expenditure is paid. AND BE IT FURTHER

RESOLVED: this Resolution shall take effect upon its passage.

Adopted this 30th day of January, 2012 by the Little Compton Town Council,

Robert L. Mushen

Town Council President

Attachment:

2012 –

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

A N A C T

AUTHORIZING THE TOWN OF LITTLE COMPTON TO FINANCE HEALTH, SAFETY AND FIRE CODE-RELATED EMERGENCY REPAIRS, ALTERATIONS, RENOVATIONS, IMPROVEMENTS, LANDSCAPING AND EQUIPPING AND FURNISHING OF, THE WILBUR & MCMAHON SCHOOLS AND ALL ATTENDANT EXPENSES INCLUDING, BUT NOT LIMITED TO, ENGINEERING AND ARCHITECTURAL COSTS AND TO ISSUE NOT MORE THAN \$11,310,000 BONDS AND/OR NOTES THEREFOR

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Introduced By:

Date Introduced:

Referred To:

It is enacted by the General Assembly as follows:

SECTION 1. The town of Little Compton is hereby empowered, in addition to authority previously granted, to issue bonds to an amount not exceeding eleven million three hundred ten thousand dollars (\$11,310,000) from time to time under its corporate name and seal. The bonds of each issue may be issued in the form of serial bonds or term bonds or a combination thereof and shall be payable either by maturity of principal in the case of serial bonds or by mandatory serial redemption in the case of term bonds, in annual installments of principal, the first installment to be not later than five (5) years and the last installment not later than thirty (30) years after the date of the bonds. All such bonds of a particular issue may be issued in the form of zero coupon bonds, capital appreciation bonds, serial bonds or term bonds or a combination thereof. Annual installments of principal may be provided for by maturity of principal in the case of

serial bonds or by mandatory serial redemption in the case of term bonds. The amount of principal appreciation each year on any bonds, after the date of original issuance, shall not be considered to be principal indebtedness for the purposes of any constitutional or statutory debt limit or any other limitation. The appreciation of principal after the date of original issue shall be considered interest. Only the original principal amount shall be counted in determining the principal amount so issued and any interest component shall be disregarded.

SECTION 2. The bonds shall be signed by the manual or facsimile signatures of the town treasurer and the president of the town council and shall be issued and sold in such amounts as the town council may authorize by resolution. The manner of sale, denominations, maturities, interest rates and other terms, conditions and details of any bonds or notes issued under this act may be fixed by proceedings of the town council authorizing the issue or by separate resolution of the town council or, to the extent provisions for these matters are not so made, they may be fixed by the officers authorized to sign the bonds or notes. Notwithstanding anything contained in this act to the contrary, the town may enter into financing agreements with the Rhode Island Health and Educational Building Corporation pursuant to title 16 chapter 7 and title 45 chapter 38.1 of the general laws and, with respect to notes or bonds issued in connection with such financing agreements, if any, the town may elect to have the provisions of title 45, chapter 38.1 of the general laws apply to the issuance of the bonds or notes issued hereunder to the extent the

provisions of title 45, chapter 38.1 of the general laws are inconsistent herewith. Such election may be fixed by the proceedings of the town council authorizing such issuance or by separate resolution of the town council, or, to the extent provisions for these matters are not so made, they may be fixed by the officers authorized to sign the bonds or notes. Interest coupons (if any) shall bear the manual or facsimile signature of the town treasurer. The proceeds derived from the sale of the bonds shall be delivered to the town treasurer, and such proceeds, exclusive of premium and accrued interest, shall be expended (a) to finance health, safety and fire code-related emergency repairs, alterations, renovations, improvements, landscaping and equipping and furnishing of, the Wilbur & McMahon schools and all attendant expenses including, but not limited to, engineering and architectural costs (all of which shall be hereinafter referred to as the "projects"), (b) in payment of the principal of or interest on temporary notes issued under section 3, (c) in repayment of advances under section 4, (d) in payment of related costs of issuance of any bonds or notes, and/or (e) to finance capitalized interest on the projects. No purchaser of any bonds or notes under this act shall be in any way responsible for the proper application of the proceeds derived from the sale thereof. The projects shall be carried out and all contracts made therefor on behalf of the town by the town council, or the town council may delegate such authority to the town school committee. The proceeds of bonds or notes issued under this act, any applicable federal or state assistance and the other moneys referred to in sections 6 and 9 shall

be deemed appropriated for the purposes of this act without further action than that required by this act. The bond issue authorized by this act may be consolidated for the purposes of issuance and sale with any other bond issue of the town heretofore or hereafter authorized, provided that, notwithstanding any such consolidation, the proceeds from the sale of the bonds authorized by this act shall be expended for the purposes set forth above. The town treasurer and president of the town council, on behalf of the town, are hereby authorized to execute such instruments, documents or other papers as either of them deem necessary or desirable to carry out the intent of this act and are also authorized to take all actions and execute all instruments, documents or agreements necessary to comply with federal tax and securities laws, which instruments, documents or agreements may have a term coextensive with the maturity of the bonds authorized hereby, including Rule 15c2-12 of the Securities and Exchange Commission and to execute and deliver a continuing disclosure agreement or certificate in connection with the bonds or notes.

SECTION 3. The town council may by resolution authorize the issuance from time to time of interest bearing or discounted notes in anticipation of the issuance of bonds or in anticipation of the receipt of federal or state aid for the purposes of this act. The amount of original notes issued in anticipation of bonds may not exceed the amount of bonds which may be issued under this act and the amount of original notes issued in anticipation of federal or state aid may not exceed the amount of available federal or state aid as estimated by

the town treasurer. Temporary notes issued hereunder shall be signed by the manual or facsimile signatures of the town treasurer and the president of the town council and shall be payable within five (5) years from their respective dates, but the principal of and interest on notes issued for a shorter period may be renewed or paid from time to time by the issuance of other notes hereunder, provided the period from the date of an original note to the maturity of any note issued to renew or pay the same debt or interest thereon shall not exceed five (5) years. Any temporary notes in anticipation of bonds issued under this section may be refunded prior to the maturity of the notes by the issuance of additional temporary notes, provided that no such refunding shall result in any amount of such temporary notes outstanding at any one time in excess of two hundred percent (200%) of the amount of bonds which may be issued under this act, and provided further that if the issuance of any such refunding notes results in any amount of such temporary notes outstanding at any one time in excess of the amount of bonds which may be issued under this act, the proceeds of such refunding notes shall be deposited in a separate fund established with the bank which is paying agent for the notes being refunded. Pending their use to pay the notes being refunded, moneys in the fund shall be invested for the benefit of the town by the paying agent at the direction of the town treasurer in any investment permitted under section 5. The moneys in the fund and any investments held as part of the fund shall be held in trust and shall be applied by the paying agent solely to the payment or prepayment of the principal of and interest on the notes

being refunded. Upon payment of all principal of and interest on the notes, any excess moneys in the fund shall be distributed to the town. The town may pay the principal of and interest on notes in full from other than the issuance of refunding notes prior to the issuance of bonds pursuant to section 1 hereof. In such case, the town's authority to issue bonds or notes in anticipation of bonds under this act shall continue provided that (1) the town council passes a resolution evidencing the town's intent to pay off the notes without extinguishing the authority to issue bonds or notes and (2) that the period from the date of an original note to the maturity date of any other note shall not exceed five (5) years.

SECTION 4. Pending any authorization or issue of bonds hereunder or pending or in lieu of any authorization or issue of notes hereunder, the town treasurer, with the approval of the town council, may, to the extent that bonds or notes may be issued hereunder, apply funds in the treasury of the town to the purposes specified in section 2, such advances to be repaid without interest from the proceeds of bonds or notes subsequently issued or from the proceeds of applicable federal or state assistance or from other available funds.

SECTION 5. Any proceeds of bonds or notes issued hereunder or of any applicable federal or state assistance, pending their expenditure, may be deposited or invested by the town treasurer in demand deposits, time deposits, or savings deposits in banks which are members of the Federal Deposit Insurance Corporation or in obligations issued or guaranteed by the United States of America or by any agency or instrumentality thereof or as may be provided in

any other applicable law of the State of Rhode Island or resolution of the town council or pursuant to an investment policy of the town.

SECTION 6. Any accrued interest received upon the sale of bonds or notes hereunder shall be applied to the payment of the first interest due thereon. Any premium arising from the sale of bonds or notes hereunder shall, in the discretion of the town treasurer, be applied to the cost of preparing, issuing and marketing bonds or notes hereunder to the extent not otherwise provided, to the payment of project costs, to the payment of the principal of or interest on bonds or notes issued hereunder or to any one (1) or more of the foregoing. The cost of preparing, issuing and marketing bonds or notes hereunder may also, in the discretion of the town treasurer, be met from bond or note proceeds exclusive of premium and accrued interest or from other moneys available therefor. Any balance of bond or note proceeds remaining after payment of the cost of the projects and the cost of preparing, issuing and marketing bonds or notes hereunder shall be applied to the payment of the principal of or interest on bonds or notes issued hereunder. To the extent permitted by applicable federal laws, any earnings or net profit realized from the deposit or investment of funds hereunder may, upon receipt, be added to and dealt with as part of the revenues of the town from property taxes. In exercising any discretion under this section, the town treasurer shall be governed by any instructions adopted by resolution of the town council.

SECTION 7. All bonds and notes issued under this act and the debts evidenced thereby shall be obligatory on the town in the same

manner and to the same extent as other debts lawfully contracted by it and shall be excepted from the operation of section 45-12-2 of the general laws and any provision of the town charter. No such obligation shall at any time be included in the debt of the town for the purpose of ascertaining its borrowing capacity. The town shall annually appropriate a sum sufficient to pay the principal and interest coming due within the year on bonds and notes issued hereunder to the extent that moneys therefor are not otherwise provided. If such sum is not appropriated, it shall nevertheless be added to the annual tax levy. In order to provide such sum in each year and notwithstanding any provision of law to the contrary, all taxable property in the town shall be subject to ad valorem taxation by the town without limitation as to rate or amount.

SECTION 8. Any bonds or notes issued under the provisions of this act, and coupons, if any, if properly executed by officers of the town in office on the date of execution, shall be valid and binding according to their terms notwithstanding that before the delivery thereof and payment therefor any or all of such officers shall for any reason have ceased to hold office.

SECTION 9. The town, acting by resolution of its town council, is authorized to apply for, contract for and expend any federal or state advances or other grants of assistance which may be available for the purposes of this act, and any such expenditures may be in addition to the moneys provided in this act. To the extent of any inconsistency between any law of this state and any applicable federal law or regulation, the latter shall prevail. Federal and state advances, with

interest where applicable, whether contracted for prior to or after the effective date of this act, may be repaid as project costs under section 2.

SECTION 10. Bonds and notes may be issued under this act without obtaining approval of any governmental agency or the taking of any proceedings or the happening of any conditions except as specifically required by this act for such issue. In carrying out any project financed in whole or in part under this act, including where applicable the condemnation of any land or interest in land, and in the levy and collection of assessments or other charges permitted by law on account of any such project, all action shall be taken which is necessary to meet constitutional requirements whether or not such action is otherwise required by statute, but the validity of bonds and notes issued hereunder shall in no way depend upon the validity or occurrence of such action.

SECTION 11. All or any portion of the authorized but unissued authority to issue bonds and notes under this act may be extinguished by ordinance of the town council, without further action by the general assembly.

SECTION 12. The question of the approval of this act shall be submitted to the electors of the Town at a local election to be held on a date that shall be designated by the town council. The question shall be submitted in substantially the following form:

“Shall an act, passed at the 2012 session of the general assembly entitled ‘AN ACT AUTHORIZING THE TOWN OF LITTLE COMPTON TO FINANCE HEALTH, SAFETY AND FIRE CODE-RELATED EMERGENCY

REPAIRS, ALTERATIONS, RENOVATIONS, IMPROVEMENTS, LANDSCAPING AND EQUIPPING AND FURNISHING OF, THE WILBUR & MCMAHON SCHOOLS AND ALL ATTENDANT EXPENSES INCLUDING, BUT NOT LIMITED TO, ENGINEERING AND ARCHITECTURAL COSTS AND TO ISSUE NOT MORE THAN \$11,310,000 BONDS AND/OR NOTES THEREFOR' be approved?" and the warning for the election shall contain the question to be submitted. Notwithstanding anything contained in Rhode Island General Laws section 17-19-7 to the contrary, the Little Compton Board of Canvassers may certify the question to the Secretary of State not later than thirty (30) days prior to the date set for any special town election. From the time the election is warned and until it is held, it shall be the duty of the town clerk to keep a copy of this act available for public inspection, but the validity of the election shall not be affected by this requirement. To the extent of any inconsistency between this act and the town charter, this act shall prevail.

SECTION 13. Sections 12 and 13 shall take effect upon the passage of this act. The remainder of this act shall take effect upon the approval of this act by a majority of those voting on the question at the election prescribed by section 12.

**EXPLANATION
OF
A N A C T**

AUTHORIZING THE TOWN OF LITTLE COMPTON TO FINANCE HEALTH, SAFETY AND FIRE CODE-RELATED EMERGENCY REPAIRS, ALTERATIONS, RENOVATIONS, IMPROVEMENTS, LANDSCAPING AND EQUIPPING AND FURNISHING OF, THE WILBUR & MCMAHON SCHOOLS AND ALL ATTENDANT EXPENSES INCLUDING, BUT NOT LIMITED TO, ENGINEERING AND ARCHITECTURAL COSTS AND TO ISSUE NOT MORE THAN \$11,310,000 BONDS AND/OR NOTES THEREFOR

This act authorizes the town of Little Compton to issue not more than \$11,310,000 bonds and notes to finance health, safety and fire code-related emergency repairs, alterations, renovations, improvements, landscaping and equipping and furnishing of, the Wilbur & McMahon schools and all attendant expenses including, but not limited to, engineering and architectural costs.

Sections 12 and 13 of this act shall take effect upon passage. The remainder of the act shall take effect upon approval by the electors of the town of the question or questions provided for in section 12.

12 --

A N A C T

AUTHORIZING THE TOWN OF LITTLE COMPTON TO FINANCE HEALTH, SAFETY AND FIRE CODE-RELATED EMERGENCY

REPAIRS, ALTERATIONS, RENOVATIONS, IMPROVEMENTS, LANDSCAPING AND EQUIPPING AND FURNISHING OF, THE WILBUR & MCMAHON SCHOOLS AND ALL ATTENDANT EXPENSES INCLUDING, BUT NOT LIMITED TO, ENGINEERING AND ARCHITECTURAL COSTS AND TO ISSUE NOT MORE THAN \$11,310,000 BONDS AND/OR NOTES THEREFOR

-----Presented by
PRV 1179737.2

End attachment.

The adopted Resolution and attached proposed Act will be sent electronically to Speaker of the House, Rep. Gordon Fox, Senate President, Senator Teresa Paiva Weed, Senator Louis DiPalma, Rep. Daniel Gordon and Bond Counsel for further action.

**Motion made by Councilor Mushen, receiving a second from Councilor Bodington, voting in favor (Appleton, Bodington, Mushen):
To adjourn at 3:17 PM.**

Carol A Wordell, Town Clerk