

**ORDINANCE NO. 05-20**

AN ORDINANCE APPROPRIATING \$55,000,000 FOR THE 21<sup>ST</sup> CENTURY INFRASTRUCTURE DEVELOPMENT BOND PROGRAM, INCLUDING PROPERTY ACQUISITION AND SALE, DESIGN, ENGINEERING, ENVIRONMENTAL ASSESSMENT AND REMEDIATION, CONSTRUCTION, REDEVELOPMENT, INSTALLATION, REPAIR AND RENOVATION OF VARIOUS PUBLIC FACILITIES AND INFRASTRUCTURE AND AUTHORIZING THE ISSUE OF \$55,000,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF MIDDLETOWN:

Section 1. The sum of \$55,000,000 is hereby appropriated to meet the estimated costs for the City of Middletown's 21<sup>st</sup> Century Infrastructure Development Bond Program. Such Program includes (i) the development of public parking, to facilitate redevelopment of the downtown Arcade site and riverfront, (ii) riverfront redevelopment, including improving public infrastructure and related public amenities, (iii) the acquisition, rehabilitation and redevelopment of the city-owned parcels and buildings, including but not limited to, Mattabassett Canoe Club and City Hall, (iv) improvements to the existing gym and pool facilities located on Hunting Hill Avenue for purposes of creating a Recreation Center; and (v) citywide road, sidewalk and curb paving at all or any portion of the locations set forth in Schedule A hereto, including culverts, bridges, drainage, outfall, and pavement management systems, as well as any related property right acquisition and sale costs, site, planning, architect, design and engineer fees, environmental assessment and remediation costs, construction, redevelopment, demolition, construction administration, installation, repair and renovation costs, including contingency fees, and any administrative, printing, legal and financing costs related thereto (collectively, the "Projects"). The Common Council may, by resolution, add to or delete from Schedule A any location authorized therein, provided, however, that the total appropriation and bond authorization shall not be increased. Said appropriation shall be exclusive of all Federal and State grants in aid thereof. The Mayor, in consultation with the Common Council, shall appoint either a standing committee/committees of the Common Council or a building committee/committees for the projects created.

Section 2. The expected useful life of the Projects is in excess of twenty (20) years. The total estimated cost of the Projects is \$55,000,000, all of which is expected to be paid from the proposed bond financing.

Section 3. To meet said appropriation \$55,000,000 bonds of the City of Middletown (the "City"), or so much thereof as may be necessary for said purpose, may be issued, maturing not later than the twentieth (20<sup>th</sup>) year after their date, or such later date as may be allowed by law. The bonds may be issued in one or more series as shall be determined by the Mayor and the City Treasurer, and the amount of bonds of each series to be issued shall be fixed by the Mayor and the City Treasurer. The bonds shall be issued in an amount necessary to meet the cost of the Projects and 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, or, be combined with other bonds of the City and such combined issue shall be in the denomination per aggregate maturity of \$1,000 or a whole multiple thereof, be issued in bearer form or in fully registered form, be executed in the name and on behalf of the City by the manual or facsimile signatures of the Mayor and the City Treasurer, bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the Mayor and the City Treasurer, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust

company designated by the Mayor and the City Treasurer, and be approved as to their legality by Bond Counsel. The bonds shall bear such rate or rates of interest (whether fixed or floating) as shall be determined by the Mayor and the City Treasurer. 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 the interest thereon and paid from property taxation to the extent not paid from other funds available for the payment thereof. The aggregate principal amount of the bonds of each series, the annual installments of principal, maturity dates, prices, redemption provisions, if any, time of issue and sale, and other terms, details and particulars of such bonds, including the terms of any reserve that might be established as authorized herein, shall be determined by the Mayor and the City Treasurer in the best interests of the City and in accordance with the requirements of the General Statutes of Connecticut, as amended.

Section 4. Any bonds shall be sold by the Mayor and City Treasurer in a competitive offering or by negotiation, in their discretion. If sold at competitive offering, the bonds shall be at not less than par and accrued interest on the basis of the lowest net or true interest cost to the City, or comparable method. If the bonds are sold by negotiation, the purchase contract shall be approved by the Mayor and City Treasurer.

Section 5. The Mayor and the City Treasurer are authorized to make temporary borrowings in anticipation of the receipt of the proceeds of any series of said bonds. Notes evidencing such borrowings shall be signed by the manual or facsimile signatures of the Mayor and the City Treasurer, have the seal of the City or a facsimile thereof affixed, be payable at a bank or trust company designated by the Mayor and the City Treasurer, be certified by a bank or trust company designated by the Mayor and the City Treasurer pursuant to the General Statutes of Connecticut, as amended, and be approved as to their legality by Bond Counsel. The notes 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 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 Projects. Upon the sale of said 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 temporary borrowings then outstanding or shall be deposited with a bank or trust company in trust for such purpose.

Section 6. In connection with the issuance of any bonds or notes authorized herein, the City may exercise any power delegated to municipalities pursuant to Section 7-370b, as may be approved and executed by the Mayor and the City Treasurer, including the authority to enter into agreements moderating interest rate fluctuation, provided any such agreement or exercise of such authority shall be specifically approved by the Common Council.

Section 7. With respect to the receipt of original issuance premium or bid premium upon the sale of the bonds or notes herein authorized, the Mayor and City Treasurer are authorized, but not required, to apply original issuance premium and bid premium, if applicable, to fund future debt service payments on such bonds or notes or to fund any purpose for which bonds of the City are authorized to be issued, and such application shall reduce the amount of authorized and unissued bonds of the purpose to which the premium was applied, in the amount so applied.

Section 8. In order to meet the capital cash flow expenditure needs of the City, the Director of Finance, with notice to and advice from the Mayor and the City Treasurer, is authorized to allocate and reallocate expenditures incurred for the Projects to any bonds or notes of the City outstanding as of the date of such allocation, and the bonds or notes to which such expenditures have been allocated shall be deemed to have been issued for such purpose, including the bonds and notes and Projects herein authorized.

Section 9. The issue of the bonds aforesaid and of all other bonds or notes of the City heretofore authorized but not yet issued, as of the effective date of this Ordinance, would not cause the indebtedness of the City to exceed any debt limit calculated in accordance with law as shown by the "Debt Statement" attached hereto.

Section 10. The Mayor is hereby authorized to spend a sum not to exceed the aforesaid aggregate appropriation for the Projects for the purposes set forth herein, and the Mayor is specifically authorized to make, execute and deliver any contract or contracts, and any other documents necessary or convenient to complete the improvements authorized herein and the financing thereof. Such appropriation and bond authorization approved herein may be allocated between the Projects by the Mayor and Director of Finance as they deem necessary or advisable and in the best interests of the City, so long as such allocation is consistent with applicable tax and other laws.

Section 11. The Mayor, the City Treasurer, the Director of Finance and any other proper City official are each hereby authorized to apply for and accept any available State or Federal grant in aid of the financing of the Projects, and to take all action necessary or proper in connection therewith.

Section 12. 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 60 days prior to and after the date of passage of this ordinance in the maximum amount and for the Projects with the proceeds of bonds, notes, or other obligations authorized to be issued by the City. Such obligations 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 Projects, or such later date as 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 Director of Finance or his designee is authorized to pay project expenses in accordance herewith pending the issuance of any such reimbursement obligations, and to amend this declaration.

Section 13. The Director of Finance is hereby authorized to exercise all powers conferred by Section 3-20e of the general statutes with respect to secondary market disclosure and to provide annual information and notices 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.

Section 14. This ordinance shall take effect when the same shall have been approved by a majority of those voting thereon at a referendum called and warned for such purpose. The date and other particulars of such referendum shall be determined by resolution of the Common Council. In the event that this ordinance shall not be approved at such referendum, it shall be null and void and of no effect.

SEE ATTACHED DEBT LIMITATION SCHEDULE

**Status: APPROVED, AS AMENDED**  
**by Common Council, City of Middletown**  
**at its meeting held on: SEPTEMBER 2, 2020**

*K: review//ordinance/ 21<sup>st</sup> C \$55M bond ORD 05-20 – 2 Sept 2020*

**Schedule A**

<b><u>2020 ROAD AND SIDEWALK PROJECTS</u></b>	<b><u>FROM</u></b>	<b><u>TO</u></b>
Acacea Court	Basswood Drive	Nejako Drive
Atkins Street	Town Line	Country Club Road
Barry Court	Spencer Drive	End
Bartholomew Road	Saybrook Road	Reservoir Road
Basswood Drive	Nejako Drive	Congdon Street
Batt Street	Spencer Drive	Spencer Drive
Berlin Court	Berlin Street	End
Berlin Street	Prospect	End
Bow Lane	Bartholomew Road	Cedar Street
Candlewood Lane	Heritage Boulevard	End
Carll Road	Newtown	Greenlawn Road
College Street	Main Street	High Street
Court Street	Main Street	High Street
Culverts/bridges		
Dellwood Avenue	Grove Hill Road	Glenwood Terrace
Digitize drainage		
East Ridge Road	Randolph Road	Millbrook Road
Evergreen Avenue	Silver Street	Evergreen Circle
Evergreen Circle	Evergreen Street	Frisbee Street
Fieldbrook Drive	Heritage Boulevard	Glenwood Terrace
Frisbee Street	Evergreen Avenue	Laurel Street
Frissell Terrace	Silver Street	Roberts Street
Garden Street	Laurel Street	Roberts Street
Garfield Ave	Russell Street	End
George Street	Drainage	
Glendale Avenue	Grove Hill Road	Glenwood Terrace
Greenlawn Road	Ridge Road	End
Grove Hill Road	Fieldbrook Road	Glendale Avenue
Heritage Boulevard	East Street	End
High Street Safety	Washington Street	Church Street
Jefferson Ave	Russell Street	End
Laurel Street	Frisbee Street	Roberts Street
Lewis Street	Morgan Street	Randolph Road
Liberty Street	Newfield Street	Main Street
Linden Street	Frisbee Street	Roberts Street
McDowell Road	Prout Hill Road	End
McKenzie Street	Silver Street	Roberts Street
Meadowbrook Road	East Ridge Road	Millbrook Road
Middle Street	Smith Street	Country Club Road
Mohawk Street	Hendley Street	Spencer Drive
Murray Street	Margarite Road	Bend
Northview Drive	Plumb Road	End
Oak Ridge Drive	Northview Drive	End
Outfall Improvements		

Pameacha Avenue	South Main Street	Highland Avenue
Partridge Lane	Country Club Road	End
Pavement Management System	Entire City	
Pleasant Street	Church Street	Main Street
Plumb Road	East Street	End
Poinsettia Street	Pine Street	End
Prospect Street	Liberty Street	Railroad Bridge
Prout Hill Road	Ridge Road	Margarite Road
Red Cedar Lane	Plumb Road	Oak Ridge Drive
Ribera Drive	Chamberlain Road	End
Ridgewood Road	Westfield Street	East Street
Roberts Street	Evergreen Avenue	Eastern Drive
Rogers Road	Wadsworth Street	West Street
Rose Circle	Newfield Street	Rose Circle
Schaefer Road	Wadsworth Street	Rogers Road
Spencer Drive	Wadsworth Street	Mohawk Street
Spring Street	Main Street	Prospect Street
Stoneycrest Drive	Newfield Sheet	Stoneycrest Drive
Sunnyslope Drive	Prout Hill Road	Prout Hill Road
Sylvan Drive	Heritage Blvd	End
Wadsworth Mansion	Wadsworth Street	End
Wall Street	Saybrook Road	Silver Street
Walnut Grove Road	Old Mill Road	Fisher Road
Westfield Terrace	Westfield Street	Hickory Circle
Woodside Circle	South Main Street	Schuyler Avenue
Yellow Birch Road	Yellow Road	End
Yellow Green Circle	Yellow Road	End
Yellow Hill Drive	Yellow Road	End
Yellow Orange Circle	Yellow Road	End
Yellow Pine Circle	Yellow Road	End
Yellow Road	Long Hill Road	End
Yellow Wood Road	Yellow Road	End
Yellow Yellow Circle	Yellow Road	End

]
   
DEBT LIMITATION SCHEDULE
   
August 31, 2020
   
CITY OF MIDDLETOWN, CONNECTICUT

ANNUAL RECEIPTS FROM TAXATION AND REIMBURSEMENTS ("BASE")		
Fiscal Year Ended June 30, 2019		138,964,269
BORROWING CAPACITY FOR EACH CLASS		
2-1/4 times base for General Purposes		312,669,605
4-1/2 times base for Schools		625,339,211
3-3/4 times base for Sewers		521,116,009
3-1/4 times base for Urban Renewal		451,633,874
3 times base for Unfunded Past Benefit Obligations		416,892,807
MAXIMUM AGGREGATE BORROWING CAPACITY		
7 times Base		972,749,883
INDEBTEDNESS BONDS AND NOTES:		
GENERAL PURPOSES	76,153,745	
SCHOOLS	13,943,980	
SEWERS	5,058,545	
URBAN RENEWAL	-	
UNFUNDED PAST BENEFIT OBLIGATIONS	-	
BONDS AND NOTES AUTHORIZED BUT UNISSUED:		
GENERAL PURPOSES	45,853,221	
SCHOOLS	68,278,744	
SEWERS	10,421,096	
URBAN RENEWAL	-	
UNFUNDED PAST BENEFIT OBLIGATIONS	-	
CLEAN WATER FUND LOANS:		
SEWERS	14,351,362	
SUB-TOTAL INDEBTEDNESS	234,060,693	
LESS		
FEDERAL AND STATE OF CONNECTICUT BUILDING GRANTS, COMMITMENTS AND RECEIVABLES		
GENERAL PURPOSE	-	
SCHOOLS	41,777,085	
SEWERS	-	
URBAN RENEWAL	-	
TOTAL DEDUCTIONS	41,777,085	
NET INDEBTEDNESS		192,283,608
TOTAL DEDUCTIONS		
BALANCE OF BORROWING CAPACITY FOR EACH CLASS:		
GENERAL PURPOSE	190,662,639	
SCHOOLS	584,893,572	
SEWERS	491,285,006	
URBAN RENEWAL	451,633,874	
UNFUNDED PAST BENEFIT OBLIGATIONS	416,892,807	
BALANCE OF MAXIMUM AGGREGATE BORROWING CAPACITY AVAILABLE		780,466,275