



**Town of Mansfield
Agenda Item Summary**

To: Town Council
From: Matthew Hart, Town Manager *MWH*
CC: Maria Capriola, Assistant to Town Manager; Lon Hultgren, Director of Public Works, Cherie Trahan, Director of Finance
Date: August 22, 2011
Re: Capital Improvement Projects – Town Meeting for Bond Authorization

Subject Matter/Background

The FY 2011/12 Capital Improvement Plan includes heavy rolling equipment to be financed by the issuance of bonds in the amount of \$405,000. The rolling equipment purchases consist of a large frontline dump/plow truck (\$150,000) and a small dump truck (\$45,000) for public works, as well as an ambulance (\$210,000) for public safety. Section C407 of the Town Charter requires consecutive action of the Town Council and a Town Meeting to authorize the issuance of bonds that in aggregate total less than one percent of the Town's operating budget.

Financial Impact

General Obligation bonds would be issued when the projects were underway and the funds were needed. Staff would consult with our financial advisor as to the best time to go to the market in order to get the best interest rates possible. Attached for your information is a schedule of estimated debt payments on these projects.

Legal Review

The Town's bond attorney has outlined the procedures and resolutions to be taken by the Council, the Town Clerk and Town voters at the Town Meeting. The first two actions are outlined below.

Recommendation

Action #1

The Council is respectfully requested to enact the three attached resolutions appropriating a total of \$405,000 for costs associated with the above projects and further authorizing the issuance of bonds (see attachment labeled "Action #1").

Action #2

The Council is respectfully requested to enact the three attached resolutions calling for a Town Meeting to be held September 26, 2010 for the consideration of the above (see attachment labeled "Action #2").

**RESOLUTIONS OF THE TOWN COUNCIL OF THE TOWN OF MANSFIELD
AUGUST 22, 2011**

Item 6.

RESOLUTION APPROPRIATING \$210,000 FOR COSTS WITH RESPECT TO ACQUISITION OF AN AMBULANCE, AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE THE APPROPRIATION.

RESOLVED,

(a) That the Town of Mansfield appropriate TWO HUNDRED TEN THOUSAND DOLLARS (\$210,000) for costs with respect to the acquisition of an ambulance to replace Ambulance 607. The appropriation may be spent for acquisition costs, legal fees, net temporary interest and other financing costs, and other expenses related to the project and its financing. The Town Manager is authorized to determine the scope and particulars of the project and may reduce or modify the scope of the project; and the entire appropriation may be spent on the project as so reduced or modified.

(b) That the Town issue its bonds or notes in an amount not to exceed TWO HUNDRED TEN THOUSAND DOLLARS (\$210,000) to finance the appropriation for the project. The amount of bonds or notes authorized shall be reduced by the amount of grants received by the Town for the project and applied to pay project costs. The bonds or notes shall be issued pursuant to Section 7-369 of the General Statutes of Connecticut, Revision of 1958, as amended, and any other enabling acts, as applicable. The bonds or notes shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town.

(c) That the Town issue and renew its temporary notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds, notes, or obligations for the project and the receipt of project grants. The amount of the notes outstanding at any time shall not exceed TWO HUNDRED TEN THOUSAND DOLLARS (\$210,000). The notes shall be issued pursuant to Section 7-378 of the General Statutes of Connecticut, Revision of 1958, as amended. The notes or obligations shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town. The Town shall comply with the provisions of Section 7-378a of the General Statutes with respect to any temporary notes if the notes do not mature within the time permitted by said Section 7-378.

(d) The Town Manager, the Director of Finance and the Treasurer, or any two of them, shall sign any bonds, notes or temporary notes by their manual or facsimile signatures. The law firm of Day Pitney LLP is designated as bond counsel to approve the legality of the bonds, notes or temporary notes. The Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to determine the amount, date, interest rates, maturities, redemption provisions, form and other details of the bonds, notes or temporary notes; to designate one or more banks or trust companies to be

certifying bank, registrar, transfer agent and paying agent for the bonds, notes or temporary notes to provide for the keeping of a record of the bonds, notes or temporary notes; to designate a financial advisor to the Town in connection with the sale of the bonds, notes or temporary notes; to sell the bonds, notes or temporary notes at public or private sale; to deliver the bonds, notes or temporary notes; and to perform all other acts which are necessary or appropriate to issue the bonds, notes or temporary notes.

(e) That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that (except to the extent reimbursed from grant moneys) the Town 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 above for the project. The Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds, notes or temporary notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(f) That the Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to make representations and enter into written agreements for the benefit of holders of the bonds, notes or temporary notes authorized by this resolution to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds, notes or temporary notes.

(g) That the Town Manager, the Director of Finance, the Treasurer and other proper officers and officials of the Town are authorized to take all other action which is necessary or desirable to complete the project and to issue bonds, notes or temporary notes to finance the project.

RESOLUTION APPROPRIATING \$150,000 FOR COSTS WITH RESPECT TO ACQUISITION OF A FRONT-LINE DUMP/PLOW TRUCK, AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE THE APPROPRIATION.

RESOLVED,

(a) That the Town of Mansfield appropriate ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) for costs with respect to the acquisition of a front-line dump/plow truck. The appropriation may be spent for acquisition costs, legal fees, net temporary interest and other financing costs, and other expenses related to the project and its financing. The Town Manager is authorized to determine the scope and particulars of the project and may reduce or modify the scope of the project; and the entire appropriation may be spent on the project as so reduced or modified.

(b) That the Town issue its bonds or notes in an amount not to exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) to finance the appropriation for the project. The amount of bonds or notes authorized shall be reduced by the amount of grants received by the Town for the project and applied to pay project costs. The bonds or notes shall be issued pursuant to Section 7-369 of the General Statutes of Connecticut, Revision of 1958, as amended, and any other enabling acts, as applicable. The bonds or notes shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town.

(c) That the Town issue and renew its temporary notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds, notes, or obligations for the project and the receipt of project grants. The amount of the notes outstanding at any time shall not exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000). The notes shall be issued pursuant to Section 7-378 of the General Statutes of Connecticut, Revision of 1958, as amended. The notes or obligations shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town. The Town shall comply with the provisions of Section 7-378a of the General Statutes with respect to any temporary notes if the notes do not mature within the time permitted by said Section 7-378.

(d) The Town Manager, the Director of Finance and the Treasurer, or any two of them, shall sign any bonds, notes or temporary notes by their manual or facsimile signatures. The law firm of Day Pitney LLP is designated as bond counsel to approve the legality of the bonds, notes or temporary notes. The Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to determine the amount, date, interest rates, maturities, redemption provisions, form and other details of the bonds, notes or temporary notes; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the bonds, notes or temporary notes to provide for the keeping of a record of the bonds, notes or temporary notes; to designate a financial advisor to the Town in connection with the sale of the

bonds, notes or temporary notes; to sell the bonds, notes or temporary notes at public or private sale; to deliver the bonds, notes or temporary notes; and to perform all other acts which are necessary or appropriate to issue the bonds, notes or temporary notes.

(e) That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that (except to the extent reimbursed from grant moneys) the Town 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 above for the project. The Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds, notes or temporary notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(f) That the Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to make representations and enter into written agreements for the benefit of holders of the bonds, notes or temporary notes authorized by this resolution to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds, notes or temporary notes.

(g) That the Town Manager, the Director of Finance, the Treasurer and other proper officers and officials of the Town are authorized to take all other action which is necessary or desirable to complete the project and to issue bonds, notes or temporary notes to finance the project.

RESOLUTION APPROPRIATING \$45,000 FOR COSTS WITH RESPECT TO ACQUISITION OF A SMALL DUMP TRUCK AND SANDERS, AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE THE APPROPRIATION.

RESOLVED,

(a) That the Town of Mansfield appropriate FORTY-FIVE THOUSAND DOLLARS (\$45,000) for costs with respect to the acquisition of a small dump truck and sanders. The appropriation may be spent for acquisition costs, legal fees, net temporary interest and other financing costs, and other expenses related to the project and its financing. The Town Manager is authorized to determine the scope and particulars of the project and may reduce or modify the scope of the project; and the entire appropriation may be spent on the project as so reduced or modified.

(b) That the Town issue its bonds or notes in an amount not to exceed FORTY-FIVE THOUSAND DOLLARS (\$45,000) to finance the appropriation for the project. The amount of bonds or notes authorized shall be reduced by the amount of grants received by the Town for the project and applied to pay project costs. The bonds or notes shall be issued pursuant to Section 7-369 of the General Statutes of Connecticut, Revision of 1958, as amended, and any other enabling acts, as applicable. The bonds or notes shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town.

(c) That the Town issue and renew its temporary notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds, notes, or obligations for the project and the receipt of project grants. The amount of the notes outstanding at any time shall not exceed FORTY-FIVE THOUSAND DOLLARS (\$45,000). The notes shall be issued pursuant to Section 7-378 of the General Statutes of Connecticut, Revision of 1958, as amended. The notes or obligations shall be general obligations of the Town secured by the irrevocable pledge of the full faith and credit of the Town. The Town shall comply with the provisions of Section 7-378a of the General Statutes with respect to any temporary notes if the notes do not mature within the time permitted by said Section 7-378.

(d) The Town Manager, the Director of Finance and the Treasurer, or any two of them, shall sign any bonds, notes or temporary notes by their manual or facsimile signatures. The law firm of Day Pitney LLP is designated as bond counsel to approve the legality of the bonds, notes or temporary notes. The Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to determine the amount, date, interest rates, maturities, redemption provisions, form and other details of the bonds, notes or temporary notes; to designate one or more banks or trust companies to be certifying bank, registrar, transfer agent and paying agent for the bonds, notes or temporary notes to provide for the keeping of a record of the bonds, notes or temporary notes; to designate a financial advisor to the Town in connection with the sale of the

bonds, notes or temporary notes; to sell the bonds, notes or temporary notes at public or private sale; to deliver the bonds, notes or temporary notes; and to perform all other acts which are necessary or appropriate to issue the bonds, notes or temporary notes.

(e) That the Town hereby declares its official intent under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that (except to the extent reimbursed from grant moneys) the Town 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 above for the project. The Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds, notes or temporary notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(f) That the Town Manager, the Director of Finance and the Treasurer, or any two of them, are authorized to make representations and enter into written agreements for the benefit of holders of the bonds, notes or temporary notes authorized by this resolution to provide secondary market disclosure information, which agreements may include such terms as they deem advisable or appropriate in order to comply with applicable laws or rules pertaining to the sale or purchase of such bonds, notes or temporary notes.

(g) That the Town Manager, the Director of Finance, the Treasurer and other proper officers and officials of the Town are authorized to take all other action which is necessary or desirable to complete the project and to issue bonds, notes or temporary notes to finance the project.

RESOLUTION CALLING TOWN MEETING FOR COSTS WITH RESPECT TO ACQUISITION OF AN AMBULANCE, AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE THE APPROPRIATION.

RESOLVED, That pursuant to Sections 406 and 407 of the Town Charter, the resolution adopted by the Council under Item 6 of this meeting, appropriating \$210,000 for costs with respect to the acquisition of an ambulance and authorizing the issue of bonds and notes and temporary notes to finance the appropriation, shall be submitted to a Special Town Meeting to be held Monday, September 26, 2011, which Town Meeting the Town Council hereby authorizes the Mayor to call.

RESOLUTION CALLING TOWN MEETING WITH RESPECT TO COSTS FOR ACQUISITION OF A FRONT-LINE DUMP/PLOW TRUCK, AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE THE APPROPRIATION.

RESOLVED, That pursuant to Sections 406 and 407 of the Town Charter, the resolution adopted by the Council under Item 6 of this meeting, appropriating \$150,000 for costs with respect to acquisition of a dump truck and authorizing the issue of bonds and notes and temporary notes to finance the appropriation, shall be submitted to a Special Town Meeting to be held Monday, September 26, 2011, which Town Meeting the Town Council hereby authorizes the Mayor to call.

RESOLUTION CALLING TOWN MEETING WITH RESPECT TO COSTS FOR ACQUISITION OF A SMALL DUMP TRUCK AND SANDERS, AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE THE APPROPRIATION.

RESOLVED, That pursuant to Sections 406 and 407 of the Town Charter, the resolution adopted by the Council under Item 6 of this meeting, appropriating \$45,000 for costs with respect to acquisition of a small dump truck and authorizing the issue of bonds and notes and temporary notes to finance the appropriation, shall be submitted to a Special Town Meeting to be held Monday, September 26, 2011, which Town Meeting the Town Council hereby authorizes the Mayor to call.