

THE CITY OF WARWICK
STATE OF RHODE ISLAND

CHAPTER 66
SEWERS AND SEWAGE DISPOSAL

ARTICLE I
GENERAL PROVISIONS

No..... Date.....

Approved.....Mayor

AN ORDINANCE IN AMENDMENT OF SECTION 66-5 OF THE CODE OF ORDINANCES APPROVING THE FINANCING OF THE DESIGN, CONSTRUCTION, REPAIR, REHABILITATION, EQUIPPING AND EXTENSION OF THE CITY'S SEWAGE COLLECTION SYSTEM, INCLUDING BUT NOT LIMITED TO INTERCEPTORS, TRUNK LINES, PUMPS, MANHOLES, AND PIPES AND DESIGN, FEASIBILITY, ENGINEERING, ASSESSMENTS OR OTHER STUDIES WHICH MAY BE NECESSARY OR DESIRABLE IN CONNECTION THEREWITH AND INCREASING THE AMOUNT OF SEWER SYSTEM REVENUE BONDS AND NOTES THAT ARE AUTHORIZED TO BE ISSUED THEREFOR TO AN AMOUNT NOT TO EXCEED \$30,000,000

WHEREAS, the health, safety and welfare of the citizens of the City of Warwick (the "City") are matters of paramount importance to the City Council; and

WHEREAS, the City Council desires that revenue bonds be issued to provide a funding source for continued sewer improvements within the City in furtherance of the health, safety and welfare of its citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF WARWICK:

Section I: Chapter 66, Article I, Subsection 66-5 of the City of Warwick Code of Ordinances is hereby amended to read as follows:

Sec. 66-5. Borrowing Payable from City's Sewer System Revenues Authorized.

(a) In addition to the authority granted in the amount of Seven Million Dollars (\$7,000,000)

1 by O-20-10, previously known as PCO-11-20, and codified as Section 66-5 ~~by sections 66-~~
2 ~~3 and 66-4~~ of the Code of Ordinances, the additional sum of ~~\$7,000,000.00~~ Twenty-Three
3 Million Dollars (\$23,000,000.00) is appropriated for the design, construction, repair,
4 rehabilitation, equipping, and extension of the city's sewage collection system, including,
5 but not limited to, interceptors, trunk lines, pumps, manholes, pipes, and design, feasibility,
6 engineering, assessment or other studies which may be necessary or desirable in connection
7 therewith, and the costs of issuance of the bonds and notes (defined below) (collectively,
8 the "project"). The period of usefulness of the Project is expected to be not less than 25
9 years.

10
11 (b) This section is adopted in accordance with the Rhode Island Infrastructure Bank Act,
12 Chapter 46-12.2 of the Rhode Island General Laws, which requires that the city comply
13 with the city charter to the extent it is not in conflict with Chapter 46-12.2. The mayor and
14 the city treasurer are hereby authorized to borrow an amount not exceeding ~~\$7,000,000.00~~
15 Thirty Million Dollars (\$30,000,000.00) from the Rhode Island Infrastructure Bank, and to
16 evidence such loans, such officers are hereby ~~authorizes~~ authorized to issue and refund on
17 behalf of the Warwick Sewer Authority, in an amount not exceeding ~~\$7,000,000.00~~ Thirty
18 Million Dollars (\$30,000,000.00) wastewater system revenue bonds (the "bonds"), at one
19 time, or from time to time, in order to meet the foregoing appropriation.

20
21 (c) The said officers from time to time may issue and refund not exceeding ~~\$7,000,000.00~~
22 Thirty Million Dollars (\$30,000,000.00) interest bearing or discounted wastewater system
23 revenue notes (the "notes") in anticipation of the issuance of said bonds.

24
25 (d) The estimated maximum cost of the project is ~~\$7,000,000.00~~ \$30,000,000.00.

26
27 (e) The bonds and notes shall be payable solely from revenues of the city's sewer system
28 including, but not limited to, annual charges, sewer assessments and connect capable
29 charges (the "sewer revenues"). The bonds and notes are not and shall never be general
30 obligations of the city and therefore the authorization of the bonds and notes is not subject
31 to the referendum requirements of the city charter as the city's full faith and credit is not
32 pledged to the payment of the bond and notes. The city may issue bonds, notes, or other
33 obligations on a parity with the bonds. The manner of sale, amount, denominations,
34 maturities, conversion or registration privileges, interest rates, medium of payment, and
35 other terms, conditions and details of the bonds or notes may be fixed by the officers
36 authorized to sign the bonds or notes. The net debt of the city is not affected by the issuance
37 of the bonds or notes as the bonds and notes will not be general obligations of the city but
38 will be payable solely from wastewater system revenues. The bonds and notes authorized
39 hereby will be within all debt and other limitations prescribed by the Constitution and the
40 laws of Rhode Island.

41
42 (f) The mayor, the city treasurer and the Chairperson of the Warwick Sewer Authority are also
43 authorized, empowered and directed, to:

44
45 (1) Execute, acknowledge and deliver one or more ~~a~~ supplemental indentures (the
46 "Supplemental Indentures") by and among the City, the Warwick Sewer Authority

1 and the U.S. Bank National Association, as trustee (the "trustee")—~~(the~~
2 ~~"supplemental indenture")~~ amending and supplementing the trust indenture dated
3 December 30, 2004 by and between the city and the trustee (as amended, the "trust
4 indenture"), and any and all other loan agreements, documents, certificates or
5 instruments necessary to effectuate such borrowing;
6

7 (2) Amend, modify or supplement the trust indenture, the supplemental indentures, the
8 bonds or notes and any and all other loan agreements, documents, certificates or
9 instruments at any time and from time to time, in such manner and for such purposes
10 as such officers shall deem necessary, desirable or advisable; and
11

12 (3) Do and perform all such other acts and things deemed by such officers to be
13 necessary, desirable or advisable with respect to any matters contemplated by this
14 section in order to effectuate said borrowing and the intent thereof.
15

16 (g) The mayor, the city treasurer and the Chairperson of the Warwick Sewer Authority are
17 hereby authorized to deliver the bonds or notes to the purchaser and, if the bonds and notes
18 are to be issued on a tax-exempt basis, said officers are hereby authorized and instructed
19 to take all actions necessary to ensure that interest on the bonds and notes will be excludable
20 from gross income for federal income tax purposes and to refrain from all actions which
21 would cause interest on the bonds or notes to become subject to federal income taxes.
22

23 (h) The mayor, the city treasurer and the Chairperson of the Warwick Sewer Authority are
24 authorized to take all actions necessary to comply with federal tax and securities laws
25 including Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule") and
26 to execute and deliver one or more ~~a~~ continuing disclosure certificates in connection with
27 the bonds or notes in the form as shall be deemed advisable by the mayor, the city treasurer
28 and the Chairperson of the Warwick Sewer Authority in order to comply with the SEC
29 Rule. The city hereby covenants and agrees that it will comply with and carry out all of the
30 provisions of the continuing disclosure certificates, as ~~it~~ they may be amended from time
31 to time. Notwithstanding any other provision of this section or the bonds or notes, failure
32 of the city to comply with the continuing disclosure certificates shall not be considered an
33 event of default; however, any bondholder or noteholder may take such actions as may be
34 necessary and appropriate, including seeking mandate or specific performance by court
35 order, to cause the city to comply with its obligations under this section and under the
36 continuing disclosure certificates.
37

38 (i) This Ordinance is an affirmative action of the City Council toward the issuance of the
39 Bonds and Notes in accordance with the purposes of the laws of the State. This Ordinance
40 constitutes the City's declaration of official intent, pursuant to Treasury
41 Regulation 1.150(2), to reimburse the City's Sewer Enterprise Fund for certain capital
42 expenditures paid prior to the issuance of the Bonds and Notes. Such amounts shall be
43 reimbursed not later than eighteen (18) months after (a) the date on which the expenditure
44 is paid or (b) the date the property is placed in service or abandoned, but in no event later
45 than three (3) years after the date the expenditure is paid.
46

1 Section II: This Ordinance shall take effect upon passage and publication as prescribed by law.
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3

4 SPONSORED BY: COUNCILMAN HOWE
5

6 COMMITTEE: FINANCE