

**BOARD OF FINANCE
TOWN OF BETHEL
RESOLUTION FOR FUNDING OF SCHOOL PROJECTS
September 12, 2017**

RESOLVED:

1. As recommended by the Board of Selectmen, the Town of Bethel (the “Town”) hereby appropriates, subject to the conditions set forth below, \$65,831,143 for the cost associated with the design, planning construction and implementation of the renovation and expansion of the Anna H. Rockwell School (a total of \$24,723,432) and the Ralph M. T. Johnson School (a total of \$41,107,711) (the “Projects”) in accordance with the Educational Specifications of the Bethel Board of Education per preliminary designs provided by Perkins Eastman, as may be amended from time to time.

2. To fund such appropriation as recommended by the Board of Selectman, the Town shall borrow, subject to the conditions set forth below, a sum not to exceed \$65,831,143 (\$24,723,432 for the Anna H. Rockwell School and \$41,107,711 for the Ralph M. T. Johnson School) and issue bonds/bond anticipations notes for such indebtedness under its corporate name and backed by the full faith and credit of the Town in an amount not to exceed such sum for the purposes of financing the appropriation for the Projects.

3. Such appropriation may be spent and borrowings made under such bonding authorization upon the satisfaction of the following conditions:

A. Approval by a Town Referendum pursuant to §C6-8 of the Town Charter;

B. Following approval of the Town Referendum:

i. The sum of \$3,000,000 of such appropriation may be spent and \$3,000,000 borrowed under such bonding authorization upon the Commissioner of Administrative Services preliminary approval of a state school grant for the Projects in an amount not less than thirty four (34%) percent of the total appropriation of \$65,831,143 (thirty one (31%) percent of the appropriation for the Anna H. Rockwell School and thirty seven (37%) percent of the appropriation for the Ralph M. T. Johnson School) by placing it on a list of eligible school projects to be submitted to the Governor, the Secretary of Office of Policy and Management and the General Assembly, provided that such \$3,000,000 of the appropriation and bonding authorization shall be used solely for planning, design and bid documentation for both the Anna H. Rockwell School and the Ralph M. T. Johnson School; or,

ii. The sum of \$3,000,000 of such appropriation may be spent and \$3,000,000 borrowed under such bonding authorization upon the Commissioner of Administrative Services preliminary approval of a state school grant solely for the Ralph M. T. Johnson School in an amount not less than thirty seven (37%) percent of the total appropriation of \$41,107,711 for the Ralph M. T. Johnson School by placing it on a list of eligible school projects to be submitted to the Governor, the Secretary of Office of Policy and Management and the General Assembly, provided that such \$3,000,000 of the

appropriation and bonding authorization shall be used solely for the planning, design and bid documentation for the Ralph M. T. Johnson School.

C. The remainder of the appropriation may be spent and the remainder of such borrowing authorization may be borrowed:

i. Upon such state school grant in an amount not less than thirty four (34%) percent of the total appropriation of \$65,831,143 being approved for Projects both the Anna H. Rockwell School and the Ralph M. T. Johnson School by the state's General Assembly; or,

ii. Upon such state school grant in an amount not less than thirty seven (37%) percent of the total appropriation of \$41,107,711 solely for the Ralph M. T. Johnson School being approved for the Ralph M. T. Johnson School by the state's General Assembly.

4. In the event that the Town receives a commitment for grant funding from the Commissioner of Administrative Services and/or receives approval from the state's General Assembly for grant funding:

A. In the amount of not less than thirty four (34%) percent of the total appropriation of \$65,831,143 for the Projects, both the Anna H. Rockwell School and the Ralph M. T. Johnson School; or

B. In the amount of not less than thirty seven (37%) percent of the total appropriation of \$41,107,711 required solely for the Ralph M. T. Johnson School; then

the First Selectman, Town Treasurer and the Comptroller will be appointed a "Committee" with full power and authority to cause said bonds for the Projects to be sold, issued and delivered in an amount sufficient to cover the planning, design and bid documentation in an amount not to exceed \$3,000,000.00 upon receipt of the Commissioner of Administrative Services commitment for grant funding of not less than thirty four (34%) percent of the total appropriation of \$65,831,143 for both the Anna H. Rockwell School and Ralph M. T. Johnson School and the balance of the bonding amount when the state General Assembly approves the grant funding for an amount not less than thirty four (34%) percent of the total appropriation of \$65,831,143 for both the Anna H. Rockwell School and Ralph M. T. Johnson School; or, the First Selectman, Town Treasurer and the Comptroller will be appointed a "Committee" with full power and authority to cause said bonds solely for the Ralph M. T. Johnson School to be sold, issued and delivered in an amount sufficient to cover the planning, design and bid documentation in an amount not to exceed \$3,000,000.00 upon receipt of the Commissioner of Administrative Services commitment for grant funding of not less than thirty seven (37%) percent of the total appropriation of \$41,107,711 solely for the Ralph M. T. Johnson School and the balance of the bonding amount when the state General Assembly approves the grant funding for an amount not less than thirty seven (37%) percent of the total appropriation of \$41,107,711 solely for the Ralph M. T. Johnson School.

Should the state General Assembly fail to approve the grant funding in the amount as set forth above for the Projects, both the Anna H. Rockwell School and the Ralph M. T. Johnson School or the grant funding for the amount as set forth above solely for the Ralph M. T. Johnson School, the

Projects or the sole project of the Ralph M. T. Johnson School shall cease immediately and all work on the planning, design and bid documentation shall be at an end and said architect, artisans and contractors employed for the planning, design and bid documentation shall be paid for services rendered up to the date of notification of the issuance of a stop work order.

In regards to said bonds, the Committee shall determine their form, including provisions for redemption prior to maturity; to determine the aggregate principal amount thereof within the amount hereby authorized and the denominations and maturities thereof; to fix the time of issue of each series thereof and the rate or rates of interest thereon as herein provided; to designate the bank or trust company to certify the issuance thereof and to act as transfer agent, paying agent and as registrar for the bonds, and to designate bond counsel. The Committee shall have all appropriate powers under the Connecticut General Statutes including Chapter 748 (Registered Public Organizations Act) and Chapter 109 (Municipal Bond Issues), as presently in force or subsequently amended, to issue the bonds and, further, shall have full power and authority to do all that is required under the Internal Revenue Code of 1986 (the "Code") as amended and other applicable laws of the United States, including the execution of certifications and agreements on behalf of the Town with respect to compliance with the Code to provide for issuance of the bonds in tax exempt form and to meet all requirements which are or may become necessary in and subsequent to the issuance and delivery of the bonds to ensure that the interest on the bonds be and remain exempt from federal income taxes, including, without limitation, to covenant and agree to restriction on investment yield, rebate of arbitrage earnings, expenditure of proceeds within required time limitations and the filing of information reports as and when required.

5. The bonds may be designated "Public Improvement Bonds of the Town of Bethel" or other such name as designated by the Committee, series of the year of their issuance and may be issued in one or more series, or may be consolidated as part of the same issue with other bonds of the Town; shall be in serial form maturing over a period of time designated by the Committee subject to state statute but not more than thirty (30) annual installments of principal, the first installment to mature not later than two years from the date of issue and the last installment to mature not later than thirty (30) years there from or otherwise as may be provided by statute. The bonds may be sold at not less than par and accrued interest at public sale upon invitation for bids to the responsible bidder submitting the bid resulting in the lowest net interest cost to the Town, provided that nothing herein shall prevent the Town from rejecting all bids submitted in response to any one invitation for bids and the right to so reject all bids is hereby reserved, and further provided, that the Committee may sell the bonds, or notes, on a negotiated basis, as provided by statute. Interest on the bonds shall be payable semi-annually or annually. The bonds shall be signed on behalf of the Town by at least a majority of the Board of Selectmen and the Town Treasurer, and shall bear the seal of the Town. The signing, sealing and certification of said bonds may be by facsimile as provided by Statute. The Town Treasurer shall maintain a record of bonds issued pursuant to this resolution and of the face amount thereof outstanding from time to time, and shall certify to the destruction of said bonds, or notes after they have been paid and canceled, and such certification shall be kept on file with the Town Clerk.

6. The Committee is further authorized to make temporary borrowing as permitted by the General Statutes and to issue a temporary note or notes of the Town in anticipation of the receipt of proceeds from the sale of the bonds to be issued pursuant to this resolution. Such notes shall be issued and renewed at such times and with such maturities, requirements and limitations as provided by Statute. Notes evidencing such borrowing shall be signed by the First Selectman and Town Treasurer and have the seal of the Town affixed, which signing and sealing may be by facsimile as provided by statute, be certified by and payable at a bank or trust company incorporated under the

laws of this or any other state, or of the United States, be approved as to their legality by bond counsel, and may be consolidated with the issuance of other Town notes. The Committee shall determine the date, maturity, interest rates, form and manner of sale, including negotiated sale, and other details of said notes consistent with the provisions of this resolution and the General Statutes and shall have all powers and authority as set forth above in connection with the issuance of the bonds and especially with respect to compliance with the requirements of the Code in order to obtain and maintain in tax exempt form.

7. Upon the sale and issuance of the bonds authorized by this resolution, the proceeds thereof, including any premium received upon the sale thereof, accrued interest received at delivery and interest earned on the temporary investment of such proceeds shall be applied forthwith to the payment of the principal and interest of all notes issued in anticipation thereof or shall be deposited in trust for such purposes with a bank or trust company, or shall be applied or rebated as may be required under the provisions of law. The remainder of the proceeds, if any, after the payment of said notes and of the expense of issuing said notes and bonds shall be applied to further finance the appropriation made by the appropriation resolution enacted concurrently herewith.

8. In each fiscal year in which the principal or any installment of interest shall fall due upon any of the bonds or notes herein authorized there shall be included in the appropriation for such fiscal year a sum equivalent to the amount of such principal and interest so falling due, and to the extent that provision is not made for the payment thereof from other revenues, the amount thereof shall be included in the taxes assessed upon the Grand List for such fiscal year and shall not be subject to any limitation of taxes that may be imposed by any other Town ordinance or resolution.

9. Pursuant to regulation of the Internal Revenue Service the Town hereby expresses its official intent to reimburse expenditures paid from the General Fund, Fund Balance or Capital Improvement Fund for the aforesaid Projects and/or solely for the Ralph M. T. Johnson School with the proceeds of the bonds or notes to be issued under the provisions of this Resolution. The allocation of such reimbursement of bond proceeds for an expenditure shall occur not later than one year after the later of a) the date on which the expenditure is paid, or b) the date on which the Projects and/or solely the Ralph M. T. Johnson School are placed in service, or for extended periods and in such manner as may be permitted by amendments to the regulations. The Comptroller is authorized to pay expenses for the Projects or the sole Ralph M. T. Johnson School project in accordance herewith pending the issuance of the reimbursement bonds or notes.

10. The First Selectman and/or the Superintendent of the Bethel Schools is hereby authorized to apply for and accept any available private, state or federal grant in aid of the financing of the Projects or the sole project of the Ralph M. T. Johnson School and to take all action necessary and proper in connection therewith.

11. The amount of final issuance of the bonds shall be reduced by the amount of funds that may be received from any direct private, state or federal grants, if any.

12. The Committee is hereby authorized to take all action necessary and proper for the sale, issuance and delivery of the bonds and notes in accordance with the provisions of the Connecticut General Statutes and the laws of the United States.