



**SPECIAL MEETING OF THE COMMON COUNCIL  
MIDDLETOWN, CONNECTICUT  
OCTOBER 10, 2013**

**SPECIAL MEETING, IMMEDIATELY FOLLOWING THE 7 P.M. MEETING**

**Special Meeting**

A special meeting of the Common Council of the City of Middletown was held in the Council Chamber on Thursday, October 10, 2013 Immediately following the 7 p.m. Community Meeting.

**Present**

Deputy Mayor Robert P. Santangelo and Council Member Thomas J. Serra, Ronald P. Klattenberg, Mary A. Bartolotta, Gerald E. Daley, Hope P. Kasper, Grady L. Faulkner, Jr., Philip J. Pessina, and Joseph E. Bibisi; and Common Council Clerk Marie O. Norwood.

**Absent**

Mayor Daniel T. Drew and Council Members Linda Salafia Todd G. Berch, and Deborah Kleckowski; and Corporation Counsel Daniel B. Ryan,

**Also Present**

Seven members of the public

**Meeting Called to Order**

The Deputy Mayor calls the meeting to order at 7:07 p.m. and asks Councilman Pessina to lead the public in the Pledge of Allegiance.

**Call of Meeting Read**

The Call of Meeting was read and accepted. The Deputy Mayor declares the Call a Legal Call and the Meeting a Legal meeting.

**Public Hearing Opens**

The Acting Chair opens the public hearing on the bond ordinance at 7:07 p.m.

**Public Hearing Closes**

The Acting Chair, seeing no members of the public wishing to address the bond ordinance, closes the public hearing at 7:08 p.m.

The Acting Chair states there are no directors present to respond to questions.

The Acting Chair asks the Council Clerk to read the bond ordinance request and the Certificate of the Director of Finance:

**Bond Ordinance Request**



CITY OF MIDDLETOWN

MAYOR'S OFFICE  
MUNICIPAL BUILDING

**NOTICE OF PUBLIC HEARING**

Notice is hereby given that a meeting of the Common Council of the City of Middletown will be held in the Council Chamber of the Municipal Building on October 10, 2013, immediately following the 7 p.m. Community Meeting to consider and act on the following:

AN ORDINANCE APPROPRIATING \$750,000 FOR THE PURCHASE OF CERTAIN CAPITAL NON-RECURRING EQUIPMENT AND AUTHORIZING THE ISSUE OF \$750,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

Any and all persons interested may appear and be heard. The complete text of the proposed Ordinance is on file and open to public inspection in the office of the City Clerk.

ATTEST:

  
Daniel T. Drew  
Mayor

Dated at Middletown, Connecticut, this 29th day of September, 2013.

The Council Chamber is wheelchair accessible. If you require special accommodations for any meeting, (860) 638-4812 (TDD/11) or the Town Clerk's Office at (860) 638-4810 prior to the scheduled meeting.

Certificate of Director of Finance:

MEMORANDUM

TO: His Honor, Mayor Daniel T. Draw and  
Members of the Common Council

FROM: Finance Department

DATE: October 3, 2013

RE: Certification of Funds

This is to certify that funds sufficient to meet the appropriations requested at your meeting on October 10, 2013 are available as follows:

Purchase of Certain Capital Non-Recurring Equipment Ordinance Bond Issue	\$750,000
--------------------------------------------------------------------------------	-----------

Respectfully submitted,  
  
 Carl Erlacher  
 Director of Finance



The Acting Chair recognizes Councilman Daley who reads the bond ordinance request and Section 1 of the bond ordinance.

**Motion to Waive the Rules**

Councilwoman Kasper moves to waive the rules to waive the rest of the reading of the ordinance; Councilman Pessina seconds the motion. The Acting Chair calls for the vote and it is unanimous to approve with eight aye votes. The Acting Chair states the motion passes.

Councilman Daley moves the bond ordinance for \$750,000 for approval; his motion is seconded by Councilwoman Kasper.

Councilman Serra is recognized and states because of the expense for the Public Works CNR, we went with a bond; Councilwoman Kasper states Public Works has old vehicles dating back to the 1980's. Councilman Faulkner asks about the sweeper is that replacing the service; don't we bring someone in and is this in lieu of that. Councilman Daley states the sweepers are 40 years old. Councilman Faulkner asks if we hire someone to do this. Councilman Serra states that is supplemental, which is why we need it more.

The Acting Chair asks the Clerk to read the roll call for the vote:

Councilwoman Bartolotta	Aye
Councilman Berch	Absent
Councilman Bibisi	Aye
Councilman Daley	Aye
Councilman Faulkner	Aye
Councilwoman Kasper	Aye
Councilman Klattenberg	Aye
Councilwoman Kleckowski	Absent
Councilman Pessina	Aye
Councilwoman Salafia	Absent
Councilman Santangelo	Aye
Councilman Serra	Aye

The Acting Chair states it is unanimous with nine aye votes and three absent.

**Ordinance No.** 30-13  
**File Name** MiddletownCapitalNonrecurringEquipment – September 2013  
**Description** AN ORDINANCE APPROPRIATING \$750,000 FOR THE PURCHASE OF CERTAIN CAPITAL NON-RECURRING EQUIPMENT AND AUTHORIZING THE ISSUE OF \$750,000 BONDS OF THE CITY TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE

**(Approved)**

Section 1. The sum of \$750,000 is hereby appropriated for the purchase of the capital non-recurring equipment set forth below, including, without limitation, installation, training and support, equipment, consultants, testing, legal, administrative and financing costs as may be accomplished within said

appropriation (hereafter the "Project"). Said appropriation shall be inclusive of state and federal grants in aide thereof.

#### PUBLIC WORKS

- Two Work Star International Model 7400 Trucks with Plow and Sander
- One Elgin Pelican 3 Wheel Sweeper
- One John Deere Model 544 Payloader
- One Concord conveyor truck Unloader
- Snow Plow Replacement

Section 2. The expected useful life of the Project is at least ten (10) years. The total estimated cost of the Project is \$750,000, no portion of which is expected to be paid from sources other than the proposed bond issue.

Section 3. To meet said appropriation \$750,000 bonds of the City, or so much thereof as may be necessary for said purpose, may be issued, maturing not later than the tenth (10<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 City's share of Project costs determined after considering the estimated amounts of grants in aid of the Project 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 Pullman & Comley, LLC, Bond Counsel. They 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, annual installments of principal, maturity dates, prices, redemption provisions, if any, the date, 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. Said 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 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 6. The Mayor is hereby authorized to spend a sum not to exceed the aforesaid appropriation 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.

Section 7. 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 Pullman & Comley, LLC, Bond Counsel. They 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 Project. 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 8. 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 authority shall be approved by the Common Council.

Section 9. 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 10. 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 Project 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 Project herein authorized.

Section 11. The Mayor, the City Treasurer and the Director of Finance are each hereby authorized to apply for and accept any available State or Federal grant in aid of the financing of the Project, 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 sixty (60) days prior to and after the date of passage of this ordinance in the maximum amount and for the Project with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the City. The Bonds 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 Project, 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 reimbursement bonds, 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 become effective fifteen days after its publication in a newspaper of general circulation in the City pursuant to Section 5 of the City Charter.

**DEBT STATEMENT  
September 30, 2013  
CITY OF MIDDLETOWN, CONNECTICUT**

ANNUAL RECEIPTS FROM TAXATION AND REIMBURSEMENTS ("BASE") Fiscal Year Ended June 30, 2012	107,884,104
BORROWING CAPACITY FOR EACH CLASS	
2-1/4 times base for General Purposes	242,739,234
4-1/2 times base for Schools	485,478,468
3-3/4 times base for Sewers	404,565,390
3-1/4 times base for Urban Renewal	350,623,338
3 times base for Unfunded Past Benefit Obligations	323,652,312
MAXIMUM AGGREGATE BORROWING CAPACITY 7 times Base	755,188,728
INDEBTEDNESS BONDS AND NOTES:	
GENERAL PURPOSES	45,673,160
SCHOOLS	19,296,240
SEWERS	4,058,260
URBAN RENEWAL	-
UNFUNDED PAST BENEFIT OBLIGATIONS	-
BONDS AND NOTES AUTHORIZED BUT UNISSUED:	
GENERAL PURPOSES	31,768,910
SCHOOLS	1,108,600
SEWERS	44,557,330
URBAN RENEWAL	-
UNFUNDED PAST BENEFIT OBLIGATIONS	-
CLEAN WATER FUND LOANS:	
SEWERS	4,674,231
SUB-TOTAL INDEBTEDNESS	151,136,731
LESS	
FEDERAL AND STATE OF CONNECTICUT BUILDING GRANTS, COMMITMENTS AND RECEIVABLES	
GENERAL PURPOSE	-
SCHOOLS	-
SEWERS	-

URBAN RENEWAL	-	
TOTAL DEDUCTIONS	-	
NET INDEBTEDNESS		151,136,731
TOTAL DEDUCTIONS		

BALANCE OF BORROWING CAPACITY FOR EACH CLASS:

GENERAL PURPOSE	165,297,164
SCHOOLS	465,073,628
SEWERS	351,275,569
URBAN RENEWAL	350,623,338
UNFUNDED PAST BENEFIT OBLIGATIONS	323,652,312

BALANCE OF MAXIMUM AGGREGATE BORROWING CAPACITY AVAILABLE	604,051,997
-----------------------------------------------------------	-------------

**Motion to Adjourn**

The Acting Chair asks for a motion to adjourn. Councilman Klattenberg so moves and is seconded by Councilman Pessina. The vote is called and it is unanimous to adjourn. The Meeting is declared adjourned at 7:14 p.m.

**ATTEST:**

**MARIE O. NORWOOD**  
Common Council Clerk