

2016 -- S 2986

=====  
LC005883  
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

---

A N A C T

AUTHORIZING THE TOWN OF BRISTOL TO FINANCE THE DESIGN, ENGINEERING AND CONSTRUCTION OF CAPITAL IMPROVEMENT PROJECTS INCLUDING, WITHOUT LIMITATION, DRAINAGE, ROAD AND SIDEWALK REPAIRS AND IMPROVEMENTS, ADDITIONS AND RENOVATIONS TO PUBLIC BUILDINGS AND TOWN-OWNED MARINA, ACQUISITION OF OPEN SPACE, AND THE ACQUIRING OF EQUIPMENT IN CONNECTION THEREWITH BY ISSUANCE OF NOT MORE THAN \$17,000,000 BONDS THEREFOR

Introduced By: Senators Felag, Pagliarini, Coyne, Lombardi, and Cote

Date Introduced: May 10, 2016

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Authorization. The town of Bristol is hereby empowered, subject to the  
2 approval of the electors of the town, in addition to authority previously granted, to issue bonds  
3 and notes to an aggregate amount not exceeding seventeen million dollars (\$17,000,000) from  
4 time to time under its corporate name and seal or a facsimile of such seal. The bonds may be  
5 issued for purposes of designing, engineering and construction of capital improvement projects  
6 including, without limitation, drainage projects, road and sidewalk repairs and improvements,  
7 additions and renovations to public buildings and the town-owned marina in the Bristol Harbor  
8 adjacent to the Town Maritime Center located at 127 Thames Street, acquisition of open space,  
9 and the acquiring of equipment in connection therewith and such bonds shall be designated as  
10 capital improvement bonds. Notwithstanding any other provision of the general laws, the town  
11 shall not be required to obtain approval of a town meeting for any aspect of any projects to be  
12 funded herein.

13           SECTION 2. Bonds. The bonds of each issue may be issued in the form of serial bonds or  
14 term bonds or a combination thereof and shall be payable either by maturity of principal in the  
15 case of serial bonds or by mandatory serial redemption in the case of term bonds, in annual  
16 installments of principal, the first installment to be not later than five (5) years and the last

1 installment not later than thirty (30) years after the date of the bonds. For each issue, the amounts  
2 payable annually for the principal and interest combined either shall be as nearly equal from year  
3 to year as is practicable in the opinion of the officers authorized to issue the bonds, or shall be  
4 arranged in accordance with a schedule providing for a more rapid amortization of principal. The  
5 bonds shall be signed by the town treasurer and by the chairman of the town council and shall be  
6 issued and sold at public or private sale in such amounts as the town council may authorize by  
7 resolution. The provisions of section 306(c) and section 414 of the town charter shall not apply to  
8 the authorization or issue of bonds or notes under this act. The manner of sale, denominations,  
9 maturities, interest rates and other terms, conditions and details of any bonds or notes issued  
10 under this act may be fixed by resolution of the town council authorizing the issue or by separate  
11 resolution of the town council, or, to the extent provisions for these matters are not so made, they  
12 may be fixed by the officers authorized to sign the bonds or notes. The proceeds derived from the  
13 sale of bonds shall be delivered to the treasurer, and such proceeds exclusive of premiums and  
14 accrued interest shall be expended for: (1) The purposes applicable to such bonds as specified in  
15 section 1; or (2) The payment of the principal of or interest on temporary notes issued in  
16 connection with such bonds pursuant to section 3; or (3) The repayment of advances made in  
17 connection with such bonds pursuant to section 4; or (4) The payment of capitalized interest;  
18 and/or (5) In payment of the costs of issuance associated with the issuance of bonds or notes  
19 hereunder. No purchaser of any bonds or notes under this act shall be in any way responsible for  
20 the proper application of the proceeds derived from the sale thereof. The projects funded with  
21 proceeds of the bonds shall be carried out and all contracts made therefor on behalf of the town  
22 by the town administrator, or as may be otherwise directed by the town council. The proceeds of  
23 the bonds or notes issued under this act, any applicable federal or state assistance and the other  
24 monies referred to in section 6 shall be deemed appropriated for the purposes of this act without  
25 further action than that required by this act. This bond issue authorized by this act may be  
26 consolidated for the purposes of issuance and sale with any other bond issue of the town  
27 heretofore or hereafter authorized, provided that, notwithstanding any such consolidation, the  
28 proceeds from the sale of the bonds authorized by this act shall be expended for the purposes set  
29 forth above.

30 SECTION 3. Temporary Notes. The town council may by resolution authorize the issue  
31 from time to time of interest bearing or discounted notes in anticipation of the issue of bonds or in  
32 anticipation of the receipt of federal or state aid for the purposes of this act. The amount of  
33 original notes issued in anticipation of bonds may not exceed the amount of bonds which may be  
34 issued under this act and the amount of original notes issued in anticipation of federal or state aid

1 may not exceed the amount of available federal or state aid as estimated by the treasurer.  
2 Temporary notes issued hereunder shall be signed by the treasurer and by the chairman of the  
3 town council and shall be payable within five (5) years from their respective dates, but the  
4 principal of and interest on notes issued for a shorter period may be renewed or paid from time to  
5 time by the issue of other notes hereunder, provided the period from the date of an original note  
6 to the maturity of any note issued to renew or pay the same debt or the interest thereon shall not  
7 exceed five (5) years.

8 SECTION 4. Advances. Pending authorization of bonds hereunder or pending or in lieu  
9 of any authorization or issue of notes hereunder, the treasurer, with the approval of the town  
10 council, may, to the extent that bonds or notes may be issued hereunder, apply funds in the  
11 treasury of the town to the applicable purposes specified in section 1, such advances to be repaid  
12 without interest from the proceeds of applicable bonds or notes subsequently issued or from the  
13 proceeds of applicable federal or state assistance or from other available funds.

14 SECTION 5. Investments. Any proceeds of bonds or notes issued hereunder or of any  
15 applicable federal or state assistance, pending their expenditure, may be deposited or invested by  
16 the treasurer in demand deposits, time deposits or savings deposits in banks which are members  
17 of the Federal Deposit Insurance Corporation or in obligations issued or guaranteed by the United  
18 States of America or by any agency or instrumentality thereof or as may be invested pursuant to  
19 §35-10-11 of the general laws or any similar law of the State of Rhode Island, by resolution of the  
20 town council.

21 SECTION 6. Application of accrued interest, premiums and investment earnings. Any  
22 accrued interest received upon the sale of bonds or notes hereunder shall be applied to the  
23 payment of the first interest due thereon. Any premiums arising from the sale of bonds or notes  
24 hereunder and any earnings or net profit realized from the deposit or investment of funds  
25 hereunder shall, in the discretion of the treasurer, be applied to the cost of preparing, issuing and  
26 marketing bonds or notes hereunder to the extent not otherwise provided, to the payment of the  
27 cost of the projects or the cost of additional improvements within the description of the project  
28 listed herein, to the payment of the principal of or interest on bonds or notes issued hereunder or  
29 to any one or more of the foregoing. The cost of preparing, issuing and marketing bonds or notes  
30 hereunder may also, in the discretion of the treasurer, be met from bond or note proceeds  
31 exclusive of accrued interest or from other monies available therefor. Any balance of bond or  
32 note proceeds remaining after payment of the cost of the projects and the cost of preparing,  
33 issuing and marketing bonds or notes hereunder shall be applied to the payment of the principal  
34 of or interest on corresponding bonds or notes issued hereunder. In exercising any discretion

1 under this section, the treasurer shall be governed by any instructions adopted by resolution of the  
2 town council. The treasurer is authorized to take any action deemed by her necessary to assure  
3 that interest on the bonds or notes issued hereunder remains excludable from gross income of the  
4 recipients thereof for federal income tax purposes, including, without limitation: (1) Paying to the  
5 federal government of any rebate or earnings derived from the deposit or investment of the  
6 proceeds of such bonds or notes that may be required therefor; and (2) To comply with the  
7 requirements of federal law, including, without being limited to, regulations and other  
8 requirements of the Securities and Exchange Commission and the Municipal Securities  
9 Rulemaking Board, imposed directly on the town or on the underwriters of such bonds and notes.

10 SECTION 7. Security for the bonds and notes. All bonds and notes issued under this act  
11 and the debts evidenced thereby shall be obligatory on the town in the same manner and to the  
12 same extent as other debts lawfully contracted by it and shall be excepted from the operation of  
13 §45-12-2 of the general laws. No such obligation shall at any time be included in the debt of the  
14 town for the purpose of ascertaining its borrowing capacity under section 414 of the town charter  
15 or §45-12-2 of the general laws. The town shall annually appropriate a sum sufficient to pay the  
16 principal and interest coming due within the year on bonds and notes issued hereunder to the  
17 extent that monies therefor are not otherwise provided. If such sum is not appropriated, it shall  
18 nevertheless be added to the annual tax levy. In order to provide such sum in each year and  
19 notwithstanding any provision of the law to the contrary, all taxable property in the town shall be  
20 subject to ad volorem taxation by the town without limitation as to rate or amount.

21 SECTION 8. Execution of bonds or notes. Any bonds or notes issued under the  
22 provisions of this act, if properly executed by officers of the town in office on the date of  
23 execution, shall be valid and binding according to their terms notwithstanding that before the  
24 delivery thereof and payment therefor any or all of such officers shall for any reason have ceased  
25 to hold office.

26 SECTION 9. Federal and State Aid. The town, acting by resolution of its town council, is  
27 authorized to apply for, contract for and expend any federal or state advances or other grants or  
28 assistance which may be available for the purposes of this act, and any such expenditures may be  
29 in addition to other monies provided in this act. To the extent of any inconsistency between any  
30 law of this state and any applicable federal law or regulation, the latter shall prevail. Federal and  
31 state advances, with interest where applicable, whether contracted for prior to or after the  
32 effective date of this act, may be repaid as project costs under section 2.

33 SECTION 10. Conditions precedent to the issuance of bonds. Bonds and notes may be  
34 issued under this act without obtaining the approval of any governmental agency or the taking of

1 any proceedings or the happening of any conditions except: (1) As specifically required by this  
2 act for such issue; and (2) The approving vote of the town council of the town to issue the bonds  
3 or notes authorized hereunder. In carrying out any project financed in whole or in part under this  
4 act, including where applicable the condemnation of any land or interest in land, and in the levy  
5 and collection of assessments or other charges permitted by law on account of any such project,  
6 all action shall be taken which is necessary to meet constitutional requirements whether or not  
7 such action is otherwise required by statute; but the validity of bonds and notes issued hereunder  
8 shall in no way depend upon the validity or occurrence of such action.

9 SECTION 11. Referendum. The question of the approval of this act shall be submitted to  
10 the electors of the town at a general or special election to be held at polling places in the town on  
11 November 8, 2016 or any other date to be determined by the town council. The question shall be  
12 submitted in substantially the following form: "Shall an Act, passed at the 2016 session of the  
13 general assembly, entitled 'AN ACT AUTHORIZING THE TOWN OF BRISTOL TO FINANCE  
14 THE DESIGN, ENGINEERING AND CONSTRUCTION OF CAPITAL IMPROVEMENT  
15 PROJECTS INCLUDING, WITHOUT LIMITATION, DRAINAGE PROJECTS, ROAD AND  
16 SIDEWALK REPAIRS AND IMPROVEMENTS, ADDITIONS AND RENOVATIONS TO  
17 PUBLIC BUILDINGS AND TOWN-OWNED MARINA, ACQUISITION OF OPEN SPACE,  
18 AND THE ACQUIRING OF EQUIPMENT IN CONNECTION THEREWITH BY ISSUANCE  
19 OF NOT MORE THAN \$17,000,000 BONDS THEREFOR' be approved?" and the warning for  
20 the election shall contain the questions to be submitted. From the time the election is warned and  
21 until it is held, it shall be the duty of the town clerk to keep a copy of the act available at the town  
22 clerk's office for public inspection, but the validity of the election shall not be affected by this  
23 requirement. To the extent of any inconsistency between this act and the town charter, this act  
24 shall prevail.

25 SECTION 12. Effective date. This section and section 11 shall take effect upon the  
26 passage of this act. The remainder of this act shall take effect upon the approval of this act by a  
27 majority of those voting on the question at the election prescribed by section 11.

=====  
LC005883  
=====

EXPLANATION

OF

A N A C T

AUTHORIZING THE TOWN OF BRISTOL TO FINANCE THE DESIGN, ENGINEERING AND CONSTRUCTION OF CAPITAL IMPROVEMENT PROJECTS INCLUDING, WITHOUT LIMITATION, DRAINAGE, ROAD AND SIDEWALK REPAIRS AND IMPROVEMENTS, ADDITIONS AND RENOVATIONS TO PUBLIC BUILDINGS AND TOWN-OWNED MARINA, ACQUISITION OF OPEN SPACE, AND THE ACQUIRING OF EQUIPMENT IN CONNECTION THEREWITH BY ISSUANCE OF NOT MORE THAN \$17,000,000 BONDS THEREFOR

\*\*\*

1           This act would authorize the town of Bristol to issue not more than \$17,000,000 general  
2   obligation bonds, notes and other evidences of indebtedness to finance the design, engineering  
3   and construction of capital improvement projects including, without limitation, drainage, road and  
4   sidewalk repairs and improvements, additions and renovations to public buildings and town-  
5   owned marina, acquisition of open space, and the acquiring of equipment in connection therewith.

6           Sections 11 and 12 would take effect upon passage. The remainder of the act would take  
7   effect upon approval of the question provided for in section 11.

=====  
LC005883  
=====