

TOWN COUNCIL MEETING
June 11, 2008

A special meeting of the Jamestown Town Council was called to order at the Jamestown Town Hall, 93 Narragansett Avenue at 2:30 p.m. by Council Vice President Michael G. White for the consideration of the passage of Resolution No. 08-007. The following members were present:

William A. Kelly
Robert W. Sutton, Jr.
Barbara A. Szepatowski

absent: Julio J. DiGiando, President

also present: Bruce R. Keiser, Town Administrator
Arlene D. Petit, Town Clerk

NEW BUSINESS

- 1) Resolution No. 08-007 authorizing issuance of \$400,000.00 Bonds for improvements and expansion of the police station and \$1,500,000.00 bonds for the construction of the new highway garage

The Town Administrator informed the Council that passage of Resolution No. 08-007 would authorize the issuance of \$400,000.00 in bonds for the improvements and expansion of the police station and \$1,500,000.00 in bonds for the construction of the new highway facility. The Town Administrator noted that Jamestown has a lower than average debt ration and is in a strong financial position with a credit rating of Aa3.

Resolution No. 08-007 as presented to the Council:

*RESOLUTION AUTHORIZING ISSUANCE OF \$400,000 BONDS FOR
IMPROVEMENTS AND EXPANSION OF THE POLICE STATION AND \$1,500,000 BONDS FOR
THE CONSTRUCTION OF THE NEW HIGHWAY GARAGE*

RESOLVED THAT:

Section 1. Pursuant to Resolution #4 passed by the Financial Town Meeting on June 2, 2008 and pursuant to Section 45-12-2 of the General Laws of the State of Rhode Island, the Finance Director is authorized to borrow and issue bonds in the name of the Town, from time to time, but not to exceed in the whole, the sum of Four Hundred Thousand Dollars (\$400,000.00), to finance improvements and expansion of the police station including payment of costs of issuance and repayment of any advances made from the general fund pursuant to such Resolution of the Financial Town Meeting.

Section 2. The amount of One Million Five Hundred Thousand Dollars (\$1,500,000) is hereby

appropriated for the purpose of providing for the construction of highway garage and the cost of preparing, issuing and marketing bonds issued under Section 3.

Section 3. The Finance Director and the President of the Town Council be, and hereby are, authorized to issue One Million Five Hundred Thousand Dollars (\$1,500,000) in bonds of the Town at one time or from time to time under Chapters 449 and 462 of the Public Laws of 2007 in order to meet the foregoing appropriation under Section 2.

Section 4. All terms and conditions of the bonds authorized herein including the manner of sale, amount, denominations, maturities and conversion or registration privileges and the designation of a securities depository and paying agent, not fixed by provisions of law, may be fixed by the Finance Director. The Finance Director is hereby authorized to execute and deliver on behalf of the Town such additional agreements as are necessary to effect the issuance of bonds and notes hereunder, the due authorization thereof being conclusively demonstrated by his or her execution and delivery of such agreements. The Finance Director is hereby authorized to deliver such bonds and notes to the purchasers thereof and said officer is authorized and instructed to take all actions, on behalf of the Town, necessary to ensure that the interest on the bonds will be excludable from gross income for federal income tax purposes, and to refrain from all actions which would cause interest on the bonds to be subject to federal income taxes. The Finance Director is authorized to deem the bonds, and to the extent not deemed to be, to designate the Bonds as “qualified tax-exempt obligations” for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986 as amended. The Finance Director is hereby authorized to take such action as to comply with Rule 15 c 2 – 12 (b) (5) of the Securities and Exchange Commission and is authorized to execute and deliver a Continuing Disclosure Certificate.

Section 5. This Resolution shall take effect upon its passage.

Council Vice President White called for a motion. It was moved by Councilor Szepatowski, seconded by Councilor Sutton to pass Resolution No. 08-007 AUTHORIZING ISSUANCE OF \$400,000 BONDS FOR IMPROVEMENTS AND EXPANSION OF THE POLICE STATION AND \$1,500,000 BONDS FOR THE CONSTURCTION OF THE NEW HIGHWAY GARAGE.

The Council discussed the bonding process. There was some discussion on the possibility of incrementally phasing the bonding with the construction; whereby only the portion of the funds would be bonded as needed.

The Town Administrator noted that the interest rate could be set at a higher rate for this type of bonding. The construction of the highway facility and the improvements to the police station are considered short-term projects with funding to be expended within a twelve month period.

There being no further discussion, the motion was unanimously passed.

The Town Administrator informed the Town Council that the Department of Health

recommended the closure of Mackerel Cove Beach due to high bacteria counts. The Town Administrator noted that the bacteria count was highest at the center of the beach. Mackerel Cove Beach, a Tier II beach, must be tested two weeks prior to opening and then is tested once per month throughout the season.

The Council expressed their concerns and inquired as to what type of bacteria was found and why the count was so high. The Town Administrator answered that it was not fecal coliform and could have been caused by a dead animal in the vicinity of the beach, high rainfall or another reason; however, it was not specifically identified by the Health Department. The Town Administrator noted that the bacteria should be gone in a few days and the beach reopened.

The Town Administrator reported that the Water and Sewer meeting will contain some time-sensitive items from the cancelled June 9 Council meeting. All other items on the June 9 agenda will be continued to the regularly scheduled Town Council meeting on June 23, 2008.

There being no further business before the Council, it was moved by Councilor Szepatowski, seconded by Councilor Kelly to adjourn the meeting at 2:50 p.m.

Attest:

Arlene D. Petit
Town Clerk

c: Town Council Members (5)
Town Administrator
Town Solicitor
Administrative Circulation