

2012 -- H 8206

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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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, OPEN
SPACE AND PROPERTY ACQUISITION FOR MUNICIPAL PURPOSES, ROAD REPAIRS
AND IMPROVEMENTS, ADDITIONS AND RENOVATIONS TO PUBLIC BUILDINGS,
AND THE ACQUIRING OF EQUIPMENT IN CONNECTION THEREWITH BY ISSUANCE
OF NOT MORE THAN \$9,000,000 BONDS THEREFOR

Introduced By: Representatives Gallison, and Morrison

Date Introduced: May 24, 2012

Referred To: House 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 nine million dollars (\$9,000,000) from time to
4 time under its corporate name and seal. The bonds may be issued for purposes of designing,
5 engineering and construction of capital improvement projects including, without limitation,
6 drainage projects, the construction of retention/detention ponds and other projects as outlined in
7 the so-called "Tanyard Brook Improvement Project – Phase II", open space and property
8 acquisition for municipal purposes, road repairs and improvements, additions and renovations to
9 public buildings, and the acquiring of equipment in connection therewith, and such bonds shall be
10 designated as capital improvement bonds. Notwithstanding any other provision of the general
11 laws, the town shall not be required to obtain approval of a town meeting for any aspect of any
12 projects to be 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. The
7 provisions of section 306(c) and all of article four (including, without limitation, section 414) of
8 the town charter shall not apply to the authorization or issue of bonds or notes under this act. The
9 manner of sale, denominations, maturities, interest rates and other terms, conditions and details of
10 any bonds or notes issued under this act may be fixed by the proceedings of the town council
11 authorizing the issue or by separate resolution of the town council, or, to the extent provisions for
12 these matters are not so made, they may be fixed by the officers authorized to sign the bonds or
13 notes. The proceeds derived from the sale of bonds shall be delivered to the treasurer, and such
14 proceeds exclusive of premiums and accrued interest shall be expended for: (a) The purposes
15 applicable to such bonds as specified in section one; or (b) The payment of the principal of or
16 interest on temporary notes issued in connection with such bonds pursuant to section three; or (c)
17 The repayment of advances made in connection with such bonds pursuant to section four; and/or
18 (d) In payment of the costs of issuance associated with the issuance of bonds or notes hereunder.
19 No purchaser of any bonds or notes under this act shall be in any way responsible for the proper
20 application of the proceeds derived from the sale thereof. The projects funded with proceeds of
21 the bonds shall be carried out and all contracts made therefor on behalf of the town by the town
22 administrator, or as may be otherwise directed by the town council. The proceeds of the bonds or
23 notes issued under this act, any applicable federal or state assistance and the other moneys
24 referred to in section six shall be deemed appropriated for the purposes of this act without further
25 action than that required by this act. This bond issue authorized by this act may be consolidated
26 for the purposes of issuance and sale with any other bond issue of the town heretofore or hereafter
27 authorized, provided that, notwithstanding any such consolidation, the proceeds from the sale of
28 the bonds authorized by this act shall be expended for the purposes set forth above.

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

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

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

13 SECTION 5. [Investments](#). Any proceeds of bonds or notes issued hereunder or of any
14 applicable federal or state assistance, pending their expenditure, may be deposited or invested by
15 the treasurer in demand deposits, time deposits or savings deposits in banks which are members
16 of the Federal Deposit Insurance Corporation or in obligations issued or guaranteed by the United
17 States of America or by any agency or instrumentality thereof or as may be invested pursuant to
18 Section 35-10-11 of the general laws or any similar law of the State of Rhode Island, or by
19 resolution of the town council or pursuant to an investment policy of the town as adopted by 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, to the payment of the principal of or interest on bonds or notes issued
28 hereunder or to any one (1) or more of the foregoing. The cost of preparing, issuing and
29 marketing bonds or notes hereunder may also, in the discretion of the treasurer, be met from bond
30 or note proceeds exclusive of accrued interest or from other moneys available therefor. Any
31 balance of bond or note proceeds remaining after payment of the cost of the projects and the cost
32 of preparing, issuing and marketing bonds or notes hereunder shall be applied to the payment of
33 the principal of or interest on corresponding bonds or notes issued hereunder. In exercising any
34 discretion under this section, the treasurer shall be governed by any instructions adopted by

1 resolution of the town council.

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

13 SECTION 8. [Execution of bonds or notes](#). Any bonds or notes issued under the
14 provisions of this act, if properly executed by officers of the town in office on the date of
15 execution, shall be valid and binding according to their terms notwithstanding that before the
16 delivery thereof and payment therefor any or all of such officers shall for any reason have ceased
17 to hold office.

18 SECTION 9. [Federal and State Aid](#). The town, acting by resolution of its town council, is
19 authorized to apply for, contract for and expend any federal or state advances or other grants or
20 assistance which may be available for the purposes of this act, and any such expenditures may be
21 in addition to other moneys provided in this act. To the extent of any inconsistency between any
22 law of this state and any applicable federal law or regulation, the latter shall prevail. Federal and
23 state advances, with interest where applicable, whether contracted for prior to or after the
24 effective date of this act, may be repaid as project costs under section two.

25 SECTION 10. [Conditions precedent to the issuance of bonds](#). Bonds and notes may be
26 issued under this act without obtaining the approval of any governmental agency or the taking of
27 any proceedings or the happening of any conditions except as specifically required by this act for
28 such issue. In carrying out any project financed in whole or in part under this act, including where
29 applicable the condemnation of any land or interest in land, and in the levy and collection of
30 assessments or other charges permitted by law on account of any such project, all action shall be
31 taken which is necessary to meet constitutional requirements whether or not such action is
32 otherwise required by statute; but the validity of bonds and notes issued hereunder shall in no way
33 depend upon the validity or occurrence of such action.

34 SECTION 11. [Referendum](#). The question of the approval of this act shall be submitted to

1 the electors of the town at a general or special election to be held at polling places in the town on
2 November 6, 2012 or any other date to be determined by the town council. The question shall be
3 submitted in substantially the following form: "Shall an act, passed at the 2012 session of the
4 general assembly, entitled 'AN ACT AUTHORIZING THE TOWN OF BRISTOL TO FINANCE
5 THE DESIGN, ENGINEERING AND CONSTRUCTION OF CAPITAL IMPROVEMENT
6 PROJECTS INCLUDING, WITHOUT LIMITATION, DRAINAGE PROJECTS, OPEN SPACE
7 AND PROPERTY ACQUISITION FOR MUNICIPAL PURPOSES, ROAD REPAIRS AND
8 IMPROVEMENTS, ADDITIONS AND RENOVATIONS TO PUBLIC BUILDINGS, AND
9 THE ACQUIRING OF EQUIPMENT IN CONNECTION THEREWITH BY ISSUANCE OF
10 NOT MORE THAN \$9,000,000 BONDS THEREFOR' be approved?" and the warning for the
11 election shall contain the questions to be submitted. From the time the election is warned and
12 until it is held, it shall be the duty of the town clerk to keep a copy of the act available at the town
13 clerk's office for public inspection, but the validity of the election shall not be affected by this
14 requirement. To the extent of any inconsistency between this act and the town charter, this act
15 shall prevail.

16 SECTION 12. [Effective date.](#) This section and section 11 shall take effect upon the
17 passage of this act. The remainder of this act shall take effect upon the approval of this act by a
18 majority of those voting on the question at the election prescribed by section 11.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
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OF NOT MORE THAN \$9,000,000 BONDS THEREFOR

1 This act would establish enabling legislation which would permit the town of Bristol to issue
2 bonds to finance the design, engineering and construction of capital improvement projects including,
3 without limitation, drainage projects, open space and property acquisition for municipal purposes,
4 road repairs and improvements, additions and renovations to public buildings, and the acquiring of
5 equipment in connection therewith.

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