

**BOND ORDINANCE #1 OF 2017**

**AUTHORIZING THE ISSUANCE OF \$4,100,000 SERIAL  
BONDS TO FINANCE THE COSTS OF VARIOUS CAPITAL  
PROJECTS**

BE IT ORDAINED by Council of the City of Auburn, New York as follows:

Section 1. The City is hereby authorized to undertake the various capital projects described below at an aggregate estimated maximum cost of \$4,100,000, the estimated maximum cost of each Project being as follows:

(a) 2017-18 Road Improvement Program. The reconstruction and resurfacing of various City streets and roads, including sidewalks, curbs, gutters, drainage, landscaping, grading or improving the rights of way, with a pavement which will be more durable construction than pavement of sand and gravel, water-bound macadam or penetration process with single-surface treatment at an estimated maximum cost of \$1,135,000 and to issue an aggregate \$1,135,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

(b) Equipment for Public Works Department and Municipal Utilities. The purchase of equipment to be used for constructing, reconstructing, repairing or maintaining City improvements, the cost of which is \$30,000 or more for the City Department of Public Works and Municipal Utilities at an estimated maximum cost of \$1,220,000 and to issue an aggregate \$1,220,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

(c) Sidewalk Improvements. The construction or reconstruction of replacement sidewalks of brick, stone or concrete and handicap access curbing, at an estimated maximum cost of \$70,000 and to issue an aggregate \$70,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

(d) Reconstruction of the Filtration System at the Casey Park Pool. The construction or reconstruction of the filtration system for the Casey Park Pool at an estimated maximum cost of \$250,000 and to issue an aggregate \$250,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

(e) Equipment for the City Parking Program. The purchase of parking kiosks and related equipment to upgrade and replace the current equipment which is out of date and beyond reasonable repair at an estimated maximum cost of \$200,000 and to issue an aggregate \$200,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

(f) Wholesale Meter Project. The purchase and installation of new and replacement wholesale meters for both water and sewer wholesale customers at an estimated maximum cost of \$300,000 and to issue an aggregate \$300,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

(g) SCADA and Telemetry Upgrades. The purchase of hardware and related software needed to monitor the water filtration plant and the external facilities monitored by the staff of the water filtration plant at an estimated maximum cost of \$400,000 and to issue an aggregate \$400,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

(h) Sewer Collection Improvement Project. The construction of improvements required to serve the City sewer system, including replacement of sanitary sewer pipes, storm sewer pipes, sewer mains and manholes and the acquisition of furnishings, equipment, machinery or apparatus required for the purposes for which such improvements are to be used and/or the sealing of sewer lines by injection under pressure of polymers or other similar materials, substances or chemicals into open pipe joints or other leakage points in a sewer system (either sanitary or surface drainage or both), including inspection and testing procedures incidental thereto, at an estimated maximum cost of \$525,000 and to issue an aggregate \$525,000 in serial bonds pursuant to the provisions of the Local Finance Law to finance the estimated costs of the aforesaid object or purpose.

Section 2. It is hereby determined that the maximum estimated cost of the aforesaid specific objects or purposes is \$4,100,000, said amount is hereby appropriated therefore and the plan for the financing thereof shall consist of the issuance of \$4,100,000 in serial bonds (the "Bonds") of the City authorized to be issued pursuant to this Ordinance.

Section 3. It is hereby determined that the period of probable usefulness of the aforesaid specific objects or purposes pursuant to paragraph 4 of Section 11.00(a) of the Local Finance Law are as follows:

<u>Section 1 Subparagraph</u>	<u>Period of Probable Usefulness (Years)</u>	<u>Local Finance Law Section 11.00(a) Paragraph</u>
(a) 2017-18 Road Improvement Program	15	20(c)
(b) Equipment for Public Works Department and Municipal Utilities	15	28
(c) Sidewalk Improvements	10	24
(d) Reconstruction of the Filtration System for Casey Park Pool	20	61
(e) Equipment for the City Parking Program	5	32
(f) Wholesale Meter Project	20	30
(g) SCADA and Telemetry Upgrades	5	32
(h) Sewer Collection Improvement Project	15	4

Section 4. Pursuant to Section 107.00(d)(9) of the Local Finance Law, current funds are not required to be provided prior to issuance of the Bonds or any bond anticipation notes issued in anticipation of issuance of the Bonds.

Section 5. The temporary use of available funds of the City, not immediately required for the purpose or purposes for which the same were borrowed, raised or otherwise created, is hereby authorized pursuant to Section 165.10 of the Local Finance Law, for the capital purposes described in Section 1 of this Ordinance.

Section 6. The Bonds and any bond anticipation notes issued in anticipation of the Bonds, shall contain the recital of validity prescribed by Section 52.00 of the Local Finance Law and the Bonds, and any bond anticipation notes issued in anticipation of the Bonds, shall be general obligations of the City, payable as to both principal and interest by a general tax upon all

the real property within the City without legal or constitutional limitation as to rate or amount. The faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds, and any bond anticipation notes issued in anticipation of the Bonds, and provision shall be made annually in the budget of the City by appropriation for (a) the amortization and redemption of the Bonds and bond anticipation notes to mature in such year, and (b) the payment of interest to be due and payable in such year.

Section 7. Subject to the provisions of this Ordinance and of the Local Finance Law, and pursuant to the provisions of Sections 21.00, 30.00, 50.00 and 56.00 to 63.00, inclusive, of the Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the Bonds herein authorized, including renewals of such notes, and the power to prescribe the terms, form and contents of the Bonds, and any bond anticipation notes, and the power to sell and deliver the Bonds and any bond anticipation notes issued in anticipation of the issuance of the Bonds, and the power to issue bonds providing for level or substantially level or declining annual debt service, is hereby delegated to the City Comptroller, the Chief Fiscal Officer of the City.

Section 8. The reasonably expected source of funds to be used to initially pay for the expenditures authorized by Section 1 of this Ordinance shall be from the City's General Fund, Water Fund, Sewer Fund or Refuse Collection Fund. It is intended that the City shall then reimburse such expenditures with the proceeds of the Bonds and bond anticipation notes authorized by this Ordinance and that the interest payable on the Bonds and any bond anticipation notes issued in anticipation of the Bonds shall be excludable from gross income for federal income tax purposes. This Ordinance is intended to constitute the declaration of the City's "official intent" to reimburse the expenditures authorized by this Ordinance with the proceeds of the Bonds and bond anticipation notes authorized herein, as required by Treasury Regulation Section 1.150-2. Other than as specified in this Ordinance, no moneys are reasonably expected to be received, allocated on a long term basis, or otherwise set aside with respect to the permanent funding of the objects or purposes described herein.

Section 9. The serial bonds and bond anticipation notes authorized to be issued by this Ordinance are hereby authorized to be consolidated, at the option of the City's Comptroller, the Chief Fiscal Officer, with the serial bonds and bond anticipation notes authorized by other Bond Ordinances previously or hereafter adopted by the City Council for purposes of sale in to one or more bond or note issues aggregating an amount not to exceed the amount authorized in such ordinances. All matters regarding the sale of the bonds, including the date of the bonds, the consolidation of the serial bonds and the bond anticipation notes with other issues of the City and the serial maturities of the bonds are hereby delegated to the City Comptroller, the Chief Fiscal Officer of the City.

Section 10. The validity of the Bonds authorized by this Ordinance and of any bond anticipation notes issued in anticipation of the Bonds may be contested only if:

- (a) such obligations are authorized for an object or purpose for which the City is not authorized to expend money; or

(b) the provisions of law which should be complied with at the date of the publication of this Ordinance or a summary hereof are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty (20) days after the date of such publication; or

(c) such obligations are authorized in violation of the provisions of the Constitution.

Section 11. The City Comptroller, as Chief Fiscal Officer of the City, is hereby authorized to enter into an undertaking for the benefit of the holders of the Bonds from time to time, and any bond anticipation notes issued in anticipation of the sale of the Bonds, requiring the City to provide secondary market disclosure as required by Securities and Exchange Commission Rule 15c2-12.

Section 12. This Ordinance, or a summary of this Ordinance, shall be published in the official newspapers of the City for such purpose, together with a notice of the Clerk of the City in substantially the form provided in Section 81.00 of the Local Finance Law.

Section 13. This Ordinance is not subject to a mandatory or permissive referendum.

Section 14. The Council hereby determines that the provisions of the State Environmental Quality Review Act and the regulations thereunder have previously been satisfied with respect to the expenditures authorized by this Ordinance.

Section 15. This Ordinance shall take effect immediately upon its adoption.

Seconded by Councilor \_\_\_\_\_

	<u>Ayes</u>	<u>Noes</u>
Mayor Quill	<input type="checkbox"/>	<input type="checkbox"/>
Councilor Cuddy	<input type="checkbox"/>	<input type="checkbox"/>
Councilor McCormick	<input type="checkbox"/>	<input type="checkbox"/>
Councilor Giannettino, Jr.	<input type="checkbox"/>	<input type="checkbox"/>
Councilor Carabajal	<input type="checkbox"/>	<input type="checkbox"/>

Carried and Adopted

STATE OF NEW YORK     )  
                                      ) SS.:  
COUNTY OF CAYUGA     )

I, Charles Mason, Clerk of the City of Auburn, Cayuga County, New York (the "City"),  
DO HEREBY CERTIFY:

That I have compared the annexed abstract of the minutes of the meeting of the Council of the City, held on the \_\_\_\_\_ day of March, 2017, including the Ordinance contained therein, with the original thereof on file in my office, and the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that the full Council of the City consists of five (5) members; that \_\_\_\_ ( ) members of the Council were present at such meeting; and that \_\_\_\_ ( ) of such members voted in favor of the above Ordinance.

I FURTHER CERTIFY that (i) all members of the Council had due notice of the meeting, (ii) pursuant to Article 7 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public, and due notice of the time and place of such meeting was duly given in accordance with Article 7 of the Public Officers Law, and (iii) the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City this \_\_\_\_\_ day of March, 2017.

\_\_\_\_\_  
Charles Mason, Clerk, City of  
Auburn, Cayuga County, New York

(SEAL)