

**SEWER AUTHORITY
OF THE
CITY OF NORWICH**

DRAFT

16 South Golden Street
Norwich, CT 06360
(860) 887-2555

March 2, 2010

The Special March Meeting of the Norwich Sewer Authority was held on Tuesday, March 2, 2010 in the 2nd Floor Board Room at the NPU's office located at 16 South Golden Street, Norwich.

Item 1. The Meeting was called to order at 6:31 p.m. by Vice Chairman Diana Boisclair.

Present: Chairman James Sullivan (by conference phone), Vice Chairman Diana Boisclair, Secretary Frank Demicco, Commissioners Alan Remondi and Larry Goldman. Also in attendance were: General Manager John Bilda; NPU Staff Members Steve Sinko, Kerri Kemp, Michael LaLima, Michele Addabbo and Jeanne Kurasz.

Item 2. Fifteen-Minute Public Comment Period. No comments were made from the general public.

Item 3. Minutes of the Regular January Meeting held on Tuesday, January 26, 2010. Sewer Authority Member Remondi, seconded by Secretary Frank Demicco moved to approve the Minutes of the Regular January Meeting held on Tuesday, January 26, 2010, as written. Unanimously approved.

Vice Chairman Boisclair seconded by Secretary Demicco motioned to recess the meeting at 6:55 p.m. The meeting resumed at 7:00 p.m.

Item 4. Action Items.

- a) Pursuant to Connecticut General Statutes 7-250, as amended, at 7:00 p.m. the Vice Chairman of the Sewer Authority of the City of Norwich declared the public hearing opened on proposed sewer benefit assessments to be levied against properties especially benefited by a sewerage system project consisting of sewer improvements on 9 Commodore Street as located and described substantially in accordance with plans and specifications prepared by Norwich Department of Public Utilities entitled "Allyn Avenue Sewer Extension, Norwich, Connecticut, dated May 2001, scale 1"=40" (the "Project") pursuant to a resolution entitled:

**RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH WITH RESPECT TO
PROPOSED SEWER BENEFIT ASSESSMENTS IN CONNECTION WITH SEWER
IMPROVEMENTS ON 9 COMMODORE STREET IN THE CITY OF NORWICH**

copies of which were available for distribution to members of the public.

Vice Chairman Boisclair read the Notice of Public Hearing on the project (a copy of which is attached hereto):

**SEWER AUTHORITY OF THE CITY OF NORWICH
NOTICE OF PUBLIC HEARING**

The Sewer Authority of the City of Norwich (WPCA) will meet in the Norwich Department of Public Utilities, First Floor Conference Room, located at 16 South Golden Street, Norwich, Connecticut on March 2, 2010, at 7:00 PM for the purpose of holding a public hearing on proposed sewer benefit assessments to be levied against properties especially benefited by a sewerage system project consisting of sewer improvements on 9 Commodore Street as located and described substantially in accordance with plans and specifications prepared by Norwich Department of Public Utilities entitled "Allyn Avenue Sewer Extension, Norwich, Connecticut, dated May 2001, scale 1"=40'" (the "Project").

The Sewer Authority will levy benefit assessments upon property especially benefited by the Project as authorized by Chapter 103 of the General Statutes.

Copies of the proposed assessments are on file and open to public inspection at the office of the City Clerk and at the office of the Sewer Authority.

Dated this 19th day of February, 2010.

**James Sullivan, Chairman
Sewer Authority of the City of Norwich**

Vice Chairman Boisclair asked for any public comment. Hearing none, Vice Chairman Boisclair thereupon declared the public hearing on said proposed improvements closed.

The Vice Chairman of the Sewer Authority of the City of Norwich introduced and read the following resolution:

**RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH WITH RESPECT TO
PROPOSED SEWER BENEFIT ASSESSMENTS IN CONNECTION WITH SEWER
IMPROVEMENTS ON 9 COMMODORE STREET IN THE CITY OF NORWICH**

A copy of said resolution is attached hereto.

**RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH WITH
RESPECT TO PROPOSED SEWER BENEFIT ASSESSMENTS IN CONNECTION WITH
SEWER IMPROVEMENTS ON 9 COMMODORE STREET IN THE CITY OF NORWICH**

WHEREAS Section 7-249 of the Connecticut General Statutes provides authority to the Sewer Authority of the City of Norwich, acting as the water pollution control authority, to levy benefit assessments upon properties which are especially benefited by any sewerage system acquired or constructed by the City; and

WHEREAS the City has constructed sewer improvements on 9 Commodore Street, as located and described substantially in accordance with plans and specifications prepared by Norwich Department of Public Utilities entitled "Allyn Avenue Sewer Extension, Norwich, Connecticut, dated May 2001, scale 1"=40'" (the "Project").

WHEREAS the City intends to levy benefit assessments in accordance with the General Statutes of the State of Connecticut; and

WHEREAS, the special benefit accruing to the benefited property is equal to or greater than the cost of acquisition by the City,

NOW THEREFORE BE IT RESOLVED:

1. Charges are proposed as follows:

STREET ADDRESS	ASSESSOR'S MAP #	LOT #	ACRES	ASSESSMENT
9 Commodore Street	124/ Block 1	36	0.14	\$7,500

2. The amount of this assessment was established by attributing the total cost of the benefit of the sewer line extension among each of the above properties.

3. Unless paid in full on June 1, 2010, payment of the benefit assessment will be due in 13 equal annual principal installments plus interest to begin June 1, 2010, with interest charges applicable to the deferred payments at the rate incurred by the City for bonds, notes or other obligations issued to finance the Project. The Sewer Authority shall file with the City Clerk a certificate of notice of installment payment of assessment of benefits, as provided by Section 7-253 of the Connecticut General Statutes, as amended. Those who pay in installments are responsible for paying all filing fees charged by the City Clerk.

4. Such benefit assessment shall take effect upon adoption by the Sewer Authority of the City of Norwich.

Vice Chairman Boisclair moved that said resolution be adopted as introduced and read and the motion was seconded by Mr. Goldman. Upon roll call vote the ayes and nays were as follows:

AYES

NAYS

Chairman Sullivan
Vice Chairman Boisclair
Secretary Demicco
Sewer Authority Member Remondi
Sewer Authority Member Goldman

Vice Chairman Boisclair thereupon declared the motion carried and the resolution adopted.

- b) Resolution of the Sewer Authority of the City of Norwich approving the rehabilitation of Wastewater Treatment Plant Digester No. 1 in connection with the state of Connecticut Clean Water Fund Program, authorizing the issuance of \$9,000,000 revenue bonds of the City secured solely by sewer revenue to meet said appropriation, and authorizing the City and Sewer Authority officials to enter into grant and loan agreements and a joint resolution with the State of Connecticut with respect thereto.

Vice Chairman Boisclair declared the Public Hearing open at 7:15 P.M. on the proposed projects consisting of the Rehabilitation of Wastewater Treatment Plant Digester No. 1 and the Design of Improvements to the Wastewater Treatment Facility, and the resolution for each, which are available for the public.

Vice Chairman Boisclair read the Notice of Public Hearing on the project (a copy of which is attached hereto):

**THE SEWER AUTHORITY OF THE CITY OF NORWICH
NOTICE OF PUBLIC HEARING**

The Sewer Authority of the City of Norwich will meet in the NPU Board Room, 2nd Floor, located at 16 South Golden Street, Norwich, Connecticut on March 2, 2010 at 7:15 p.m. for the purpose of holding a public hearing on the proposed projects consisting of the of the Rehabilitation of Wastewater Treatment Plant Digester No. 1 and Design of Upgrades and Expansions to the City's Wastewater Treatment Facility. Following the public hearing, the Sewer Authority is expected to consider and act upon the resolutions entitled:

"RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH APPROVING THE REHABILITATION OF WASTEWATER TREATMENT PLANT DIGESTER NO. 1 IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$9,000,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO."

"RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH APPROVING THE DESIGN OF IMPROVEMENTS TO THE WASTEWATER TREATMENT FACILITY IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$4,400,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO."

Copies of said proposed resolutions are on file open to public inspection at the office of the City and Town Clerk.

Dated this 19th day of February, 2010.

**James Sullivan
Chairman
Sewer Authority of the City of Norwich**

Vice Chairman Boisclair asked for any public comment on the Rehabilitation of Wastewater Treatment Plant Digester No. 1 or its authorizing resolution. Vice Chairman Boisclair asked for any public comment on the proposed project consisting of the Design of Improvements to the Wastewater Treatment Facility. Hearing none, Vice Chairman Boisclair declared the public hearings on the proposed projects closed.

The Vice Chairman of the Sewer Authority of the City of Norwich introduced and read the following resolution:

RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH APPROVING THE REHABILITATION OF WASTEWATER TREATMENT PLANT DIGESTER NO. I IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$9,000,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.

Vice Chairman Boisclair asked for a motion and second to waive the reading of the entire resolution. Sewer Authority Member Remondi, seconded by Sewer Authority Member Goldman motioned to waive the reading of the entire resolution. Voted unanimously.

Vice Chairman Boisclair asked if there was a motion and second to adopt the entitled resolution as introduced and read including the appended City Bond ordinance attached to it. Sewer Authority Member Goldman, seconded by Sewer Authority Member Remondi motioned to adopt the entitled resolution as introduced and read including the appended City Bond ordinance attached.

Hearing no discussion, Vice Chairman Boisclair called for a vote.

AYES

NAYS

Chairman Sullivan
Vice Chairman Boisclair
Secretary Demicco
Sewer Authority Member Remondi
Sewer Authority Member Goldman

Vice Chairman Boisclair declared the Rehabilitation of Wastewater Treatment Plant Digester No. 1 Bond Resolution adopted.

RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH APPROVING THE REHABILITATION OF WASTEWATER TREATMENT PLANT DIGESTER NO. I IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$9,000,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.

The Sewer Authority of the City of Norwich, (also known as the City's Water Pollution Control Authority, ("WPCA")), having reviewed the proposed project consisting of the Rehabilitation of Wastewater Treatment Plant Digester: No. I hereby approves said project and approves and incorporates herein in its entirety the proposed bond ordinance to be adopted by the City Council entitled:

AN ORDINANCE APPROPRIATING \$9,000,000 FOR THE REHABILITATION OF WASTEWATER TREATMENT PLANT DIGESTER NO.1 IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$9,000,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO. (the "Ordinance"), a copy of which is attached hereto and incorporated herein.

The Sewer Authority specifically additionally acknowledges the provisions of the Ordinance and the General Resolution (as defined therein) which provide that the Sewer Authority agrees to and shall levy and collect Sewer Authority revenues to pay debt service on Bonds (as defined therein) issued to finance the Project and meet the other requirements of the General Resolution (as defined therein). The General Resolution, originally approved by the Sewer Authority on November 22, 1994, as amended, and as supplemented by various supplemental Resolutions adopted pursuant to the Joint Resolution is hereby ratified, confirmed and adopted by the Sewer Authority.

AN ORDINANCE APPROPRIATING \$9,000,000 FOR THE REHABILITATION OF WASTEWATER TREATMENT PLANT DIGESTER NO.1 IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$9,000,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH:

Section 1. The sum of \$9,000,000 is appropriated for the planning, acquisition and construction of the decommissioning and rehabilitation of Digester No. 1 of the City's Wastewater Treatment Plant, or so much thereof, or such additional improvements to the City's wastewater treatment plant as may be accomplished within said appropriation provided herein, and including removal and disposal of all tank contents, removal of existing steel digester cover, gas mixing system, energy efficiency improvements and utilization, cleaning, and installation of a temporary sludge holding tank and loading system, installation of new dome shaped cover and gas-mixing system, licenses and permits, and for testing, surveying, paving, engineering, administration, advertising, printing, legal, and financing costs (hereafter the "Project") as shall be determined by the Norwich Sewer Authority (the "WPCA"). Said appropriation shall be inclusive of state and federal grants in aid thereof. The Sewer Authority of the City of Norwich (hereinafter "Sewer Authority" or "WPCA"), is authorized to enter into contracts, expend the appropriation and implement the Project herein authorized.

Section 2. The estimated useful life of the Project is thirty years. The total estimated cost of the Project is \$9,000,000. \$7,936,000 of the total Project cost is estimated to be financed by or through the State of Connecticut pursuant to its Clean Water Fund Program (as hereinafter defined), \$1,820,000 of which is estimated to be received as a grant and \$6,116,000 is estimated to be received as a low interest loan bearing interest at 2 percent. The Project is a general benefit to the City of Norwich and its general governmental purposes.

Section 3. To meet said appropriation:

(i.) bonds of the City or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the thirtieth year after their date. Said bonds may be issued in one or more series as determined by the City Manager, the Comptroller -acting on behalf of the City herein -and General Manager City of Norwich Department of Public Utilities -acting on behalf of the Department of Public Utilities and the Sewer Authority herein -(the "Issuer Officials") and the amount of bonds of each series to be issued shall be fixed by the Issuer Officials in the amount necessary to meet the Issuer's share of the cost of the Project determined after considering the estimated amount of the State and Federal grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which 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 Issuer 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 facsimile or manual signatures of the Issuer Officials bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the Issuer Officials, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Issuer Officials and be approved as to their legality by Bond Counsel. They shall bear such rate or rates of interest as shall be determined by the Issuer Officials. The issuance of such bonds in one or more series, the aggregate principal amount of bonds to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds shall be determined by the Issuer Officials, in accordance with the Joint Resolution. In the case of Parity Indebtedness as defined in the Joint Resolution between the City of Norwich and the Sewer Authority of the City of Norwich (as hereinafter defined as the "Joint Resolution"), the Issuer Officials, shall also determine the revenues and property to be pledged for payment of such Parity Indebtedness; or

(ii.) temporary notes of the City may be issued in one or more series pursuant to Section 7-264a of the General Statutes of Connecticut, as amended. The amount of such notes to be issued, if any, shall be determined by the Issuer Officials, and they are hereby authorized to determine the date, maturity, interest rate, form and other details and particulars of such notes, and to sell, execute and deliver the same; or

(iii.) sewer assessment notes of the City may be issued in one or more series pursuant to Section 7-269a of the General Statutes of Connecticut, as amended. The amount of such notes to be issued, if any, shall be determined by the Issuer Officials, and they are hereby authorized to determine the date, maturity, interest rate, form and other details and particulars of such notes , and to sell, execute and deliver the same; or

(iv.) interim funding obligations and project loan obligations or any other obligations of the City (hereinafter "Clean Water Fund Obligations") evidencing an obligation to repay any portion of the costs of the Project determined by the State of Connecticut Department of Environmental Protection to be eligible for funding under Section 22a-475 et seq. of the Connecticut General Statutes, as the same may be amended from time to time (the "Clean Water Fund Program"). The General Manager City of Norwich Department of Public Utilities is authorized in the name and on behalf of the City and the Sewer Authority to apply for and accept any and all Federal and State loans and/or grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith to contract in the name of the Sewer Authority with engineers, contractors and others. The City may issue Clean Water Fund Obligations in one or more series and in such denominations as the Issuer Officials shall

determine, provided that the total of all such Clean Water Fund Obligations, bonds and notes issued and appropriation expended pursuant to this ordinance shall not exceed \$9,000,000. The Issuer Officials are hereby authorized to determine the amount, date, maturity, interest rate, form and other details and particulars of such interim funding obligations and project loan obligations, subject to the provisions of the Clean Water Fund Program, and to execute and deliver the same. Clean Water Fund Obligations shall be secured solely from a pledge of sewer system revenues; or

(v.) any combination of bonds, temporary notes, or sewer assessment notes, as set forth in section 3(i), 3(ii) or 3(iii) and clean Water Fund Obligations as set forth in section 3(iv), may be issued, provided that the total, aggregate principal amount thereof outstanding, and including the amount of grant funding obtained pursuant to a Project Grant and Project Loan Agreement, at any time shall not exceed \$9,000,000.

Section 4.

(i.) Bonds, temporary notes, or sewer assessment notes, as set forth in section 3(i), 3(ii) or 3(iii) and Clean Water Fund Obligations as set forth in section 3(iv), are hereafter referred to as "Bonds." The Bonds shall be sewer revenue bonds of the City, the payment of principal and interest on which shall be secured solely by revenues derived from the operation of the sewerage system, including use charges, connection charges, benefit assessments or any combination thereof, investment income derived there from, or other property of the Sewer Authority or revenue derived from the operation of the sewerage system in accordance with the Joint Resolution. Each of the Bonds shall recite to the effect 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, that such Bond does not constitute a general obligation of the City for which its full faith and credit is pledged, and that such Bond is payable solely from revenues, assessments, charges or property of the sewer system specifically pledged therefore.

(ii.) The bonds authorized to be issued by section 3(i), the notes authorized to be issued by section 3(ii) and 3(iii) and Clean Water Fund Obligations authorized to be issued by section 3(iv), or any combination of the foregoing shall be, issued and secured pursuant to the Joint Resolution approved by the City Council on November 21, 1994, and the Sewer Authority on November 22, 1994, as amended, and as supplemented by various supplemental Resolutions adopted pursuant to the Joint Resolution, and which is hereby ratified, confirmed and approved in its entirety, including without limitation, the rate and revenue covenants therein. The Sewer Authority irrevocably agrees to comply with the provisions of the Joint Resolution, including Supplemental Resolutions, including but not limited to: to set, establish and collect and maintain rates and revenue as necessary to continually comply with the terms, conditions and covenants of the General Resolution. The City irrevocably agrees to comply with the provisions of the General Resolution. In order to implement the provisions of the Joint Resolution the City and the Sewer Authority may enter into an indenture of trust with a bank and trust company which indenture may contain provisions customarily included in revenue bond financings, including provisions of a similar nature to those in the Joint Resolution and

which are necessary, convenient or advisable in connection with the issuance of the Bonds and their marketability. The Issuer Officials are hereby authorized to execute and deliver on behalf of the City and the Sewer Authority an indenture in such final form and containing such terms and conditions as they shall approve, and their signatures on any such indenture shall be conclusive evidence of their approval as authorized hereby.

(iii.) The Issuer Officials on behalf of the City and the WPCA are authorized to agree to additional terms and to delete or change existing terms and otherwise amend the form of Joint Resolution in order to obtain State or federal funding, provide better security for the bonds, correct any matter, cure any ambiguity or defect or otherwise benefit the Issuer in their judgment. Such additional or different terms may include restrictions on the use of WPCA funds or fund balance, coverage ratios, additional or changed reserve requirements, identification and pledge of revenues securing the Bonds, providing for the form of the Bonds, conditions precedent to the issuance of Bonds and additional Bonds, the establishment and maintenance of funds and the use and disposition there from, including but not limited to accounts for the payment of debt service, the payment of operating expenses, debt service reserve and other reserve accounts, providing for the issuance of subordinated indebtedness, defining an event of default and providing for the allocation of revenues in such event, credit enhancement, providing for a pledge and allocation of sewer revenues to pay for obligations issued by third parties, and provisions of a similar and different nature to those in the Joint Resolution and which are necessary, convenient or advisable in connection with the issuance of the Bonds and their marketability, and to obtain the benefits of any state or federal grant or low interest loan program, including but not limited to the Clean Water Fund and Federal Department of Agriculture Programs. The Issuer Officials are hereby authorized, in addition to the General Resolution, to execute and deliver on behalf of the Issuer and the WPCA an indenture of trust in such final form and containing such terms and conditions as they shall approve, and their signatures on any such indenture shall be conclusive evidence of their approval as authorized hereby.

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.

Section 6. Said Bonds shall be sold by the Issuer Officials in a competitive offering or by negotiation, in their discretion. If sold in a competitive offering, the Bonds shall be sold upon sealed proposals at not less than par and accrued interest on the basis of the lowest not or true interest cost to the City. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the Bonds are sold by negotiation, the Issuer Officials, are authorized to execute a purchase agreement on behalf of the City and WPCA containing such terms and conditions as they deem appropriate and not inconsistent with this Ordinance.

Section 7. Resolution of Official Intent to Reimburse Expenditures with Borrowings. That City of Norwich (the "Issuer") 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 days prior to and after the date of passage of this Resolution in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the Issuer. 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 the Regulations may authorize. The Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Comptroller, and General Manager City of Norwich Department of Public Utilities or their designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 8. It is hereby found and determined that the issue of all, or a portion of, the Bonds, Notes or other obligations of the City authorized to be issued herein as qualified private activity bonds, or with interest that is includable in gross income of the holders thereof for purposes of federal income taxation, is in the public interest. The Issuer Officials are hereby authorized to issue and utilize without further approval any financing alternative available to municipal governments pursuant to HRI, "Making Supplemental Appropriations for Job Preservation and Creation, Infrastructure Investment, Energy Efficiency and Science, Assistance to the Unemployed, and State and Local Fiscal Stabilization, for the Fiscal Year Ending September 30,2009, and for other purposes" (the "American Recovery and Reinvestment Act of 2009"), including but not limited to any "tax credit bond," or "Build America Bonds" including Direct Payment and Tax Credit Versions.

Section 9. This Ordinance shall be effective upon adoption by the City Council and its approval by the Sewer Authority.

- c) Resolution of the Sewer Authority of the City of Norwich approving the design of improvements to the Wastewater Treatment facility in connection with the State of Connecticut Clean Water Fund Program, authorizing the issuance of \$4,400,000 revenue bonds of the City secured solely by sewer revenue to meet said appropriation, and authorizing the City and Sewer Authority officials to enter into grant and loan agreements and a joint resolution with the State of Connecticut with respect thereto.

The Vice Chairman of the Sewer Authority of the City of Norwich introduced and read the following resolution:

“RESOLUTION OF THE SEWER AUTHORITY OF THE CITY OF NORWICH APPROVING THE DESIGN OF IMPROVEMENTS TO THE WASTEWATER TREATMENT FACILITY IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$4,400,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.”

Vice Chairman Boisclair asked for a motion and second to waive the reading of the entire resolution. Sewer Authority Member Remondi, seconded by Sewer Authority Member Goldman motioned to waive the reading of the entire resolution. Voted unanimously.

Vice Chairman Boisclair asked if there was a motion and second to adopt the entitled resolution as introduced and read including the appended City Bond ordinance attached to it. Sewer Authority Member Goldman, seconded by Sewer Authority Member Remondi motioned to adopt the entitled resolution as introduced and read including the appended City Bond ordinance attached.

Hearing no discussion, Vice Chairman Boisclair called for a vote.

AYES

NAYS

Chairman Sullivan
Vice Chairman Boisclair
Secretary Demicco
Sewer Authority Member Remondi
Sewer Authority Member Goldman

Vice Chairman Boisclair declared the Design of Improvements to the Wastewater Treatment Facility bond resolution adopted.

AN ORDINANCE APPROPRIATING \$4,400,000 FOR DESIGN OF IMPROVEMENTS TO THE WASTEWATER TREATMENT FACILITY IN CONNECTION WITH THE STATE OF CONNECTICUT CLEAN WATER FUND PROGRAM, AUTHORIZING THE ISSUANCE OF \$4,400,000 REVENUE BONDS OF THE CITY SECURED SOLELY BY SEWER REVENUE TO MEET SAID APPROPRIATION, AND AUTHORIZING THE CITY AND SEWER AUTHORITY OFFICIALS TO ENTER INTO GRANT AND LOAN AGREEMENTS AND A JOINT RESOLUTION WITH THE STATE OF CONNECTICUT WITH RESPECT THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH:

Section 1. The sum of \$4,400,000 is appropriated for the design of upgrades and expansions to the City's Wastewater Treatment Facility in accordance with the City's Wastewater Systems Facilities Plan submitted to the Connecticut Department of Environmental Protection June 2004 as amended August 2009, or so much thereof, or such additional improvements as may be accomplished within said appropriation provided herein, and including administration, advertising, printing, legal, and financing costs (hereafter the "Project") as shall be determined by the Norwich Sewer Authority (the "Sewer Authority" or "WPCA"). Said appropriation shall be inclusive of state and federal grants in aid thereof. The Sewer Authority of the City of Norwich (hereinafter "Sewer Authority" or "WPCA"), is authorized to enter into contracts, expend the appropriation and implement the Project herein authorized. Any amounts not necessary for the accomplishment of the Project, may be utilized for construction of other treatment plant improvements.

Section 2. The estimated useful life of the Project is thirty years. The total estimated cost of the Project is \$4,400,000. \$4,214,000 of the total Project cost is estimated to be financed by or through the State of Connecticut pursuant to its Clean Water Fund Program (as hereinafter defined), \$842,000 of which is estimated to be received as a grant and \$3,372,000 is estimated to be received as a low interest loan bearing interest at 2 percent. The Project is a general benefit to the City of Norwich and its general governmental purposes.

Section 3. To meet said appropriation:

(i.) bonds of the City or so much thereof as shall be necessary for such purpose, shall be issued, maturing not later than the thirtieth year after their date. Said bonds may be issued in one or more series as determined by the City Manager, the Comptroller – acting on behalf of the City herein -and General Manager City of Norwich Department of Public Utilities – acting on behalf of the Department of Public Utilities and the Sewer Authority herein -(the “Issuer Officials”) and the amount of bonds of each series to be issued shall be fixed by the Issuer Officials in the amount necessary to meet the Issuer's share of the cost of the Project determined after considering the estimated amount of the State and Federal grants-in-aid of the Project, or the actual amount thereof if this be ascertainable, and the anticipated times of the receipt of the proceeds thereof, provided that the total amount of bonds to be issued shall not be less than an amount which 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 Issuer 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 facsimile or manual signatures of the Issuer Officials bear the City seal or a facsimile thereof, be certified by a bank or trust company designated by the Issuer Officials, which bank or trust company may be designated the registrar and transfer agent, be payable at a bank or trust company designated by the Issuer Officials and be approved as to their legality by Bond Counsel. They shall bear such rate or rates of interest as shall be determined by the Issuer Officials. The issuance of such bonds in one or more series, the aggregate principal amount of bonds to be issued, the annual installments of principal, redemption provisions, if any, the date, time of issue and sale and other terms, details and particulars of such bonds shall be determined by the Issuer Officials, in accordance with the Joint Resolution. In the case of Parity Indebtedness as defined in the Joint Resolution between the City of Norwich and the Sewer Authority of the City of Norwich (as hereinafter defined as the "Joint Resolution"), the Issuer Officials, shall also determine the revenues and property to be pledged for payment of such Parity Indebtedness; or

(ii.) temporary notes of the City may be issued in one or more series pursuant to Section 7-264a of the General Statutes of Connecticut, as amended. The amount of such notes to be issued, if any, shall be determined by the Issuer Officials, and they are hereby authorized to determine the date, maturity, interest rate, form and other details and particulars of such notes, and to sell, execute and deliver the same; or

(iii.) sewer assessment notes of the City may be issued in one or more series pursuant to Section 7-269a of the General Statutes of Connecticut, as amended. The amount of such notes to be issued, if any, shall be determined by the Issuer Officials, and they are hereby authorized to determine the date, maturity, interest rate, form and other details and particulars of such notes, and to sell, execute and deliver the same; or

(iv.) interim funding obligations and project loan obligations or any other obligations of the City (hereinafter "Clean Water Fund Obligations") evidencing an obligation to repay any portion of the costs of the Project determined by the State of Connecticut Department of Environmental Protection to be eligible for funding under Section 22a-475 et seq. of the Connecticut General Statutes, as the same may be amended from time to time (the "Clean Water Fund Program"). The General Manager City of Norwich Department of Public Utilities is authorized in the name and on behalf of the City and the Sewer Authority to apply for and accept any and all Federal and State loans and/or grants-in-aid of the Project and is further authorized to expend said funds in accordance with the terms hereof and in connection therewith to contract in the name of the Sewer Authority with engineers, contractors and others. The City may issue Clean Water Fund Obligations in one or more series and in such denominations as the Issuer Officials shall determine, provided that the total of all such Clean Water Fund Obligations, bonds and notes issued and appropriation expended pursuant to this ordinance shall not exceed

\$4,400,000. The Issuer Officials are hereby authorized to determine the amount, date, maturity, interest rate, form and other details and particulars of such interim funding obligations and project loan obligations, subject to the provisions of the Clean Water Fund Program, and to execute and deliver the same. Clean Water Fund Obligations shall be secured solely from a pledge of sewer system revenues; or

(v.) any combination of bonds, temporary notes, or sewer assessment notes, as set forth in section 3(i), 3(ii) or 3(iii) and clean Water Fund Obligations as set forth in section 3(iv), may be issued, provided that the total, aggregate principal amount thereof outstanding, and including the amount of grant funding obtained pursuant to a Project Grant and Project Loan Agreement, at any time shall not exceed \$4,400,000.

Section 4.

(i.) Bonds, temporary notes, or sewer assessment notes, as set forth in section 3(i), 3(ii) or 3(iii) and Clean Water Fund Obligations as set forth in section 3(iv), are hereafter referred to as "Bonds." The Bonds shall be sewer revenue bonds of the City, the payment of principal and interest on which shall be secured solely by revenues derived from the operation of the sewerage system, including use charges, connection charges, benefit assessments or any combination thereof, investment income derived there from, or other property of the Sewer Authority or revenue derived from the operation of the sewerage system in accordance with the Joint Resolution. Each of the Bonds shall recite to the effect 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, that such Bond does not constitute a general obligation of the City for which its full faith and credit is pledged, and that such Bond is payable solely from revenues, assessments, charges or property of the sewer system specifically pledged therefore.

(ii.) The bonds authorized to be issued by section 3(i), the notes authorized to be issued by section 3(ii) and 3(iii) and Clean Water Fund Obligations authorized to be issued by section 3(iv), or any combination of the foregoing shall be, issued and secured pursuant to the Joint Resolution approved by the City Council on November 21, 1994, and the Sewer Authority on November 22, 1994, as amended, and as supplemented by various supplemental Resolutions adopted pursuant to the Joint Resolution, and which is hereby ratified, confirmed and approved in its entirety, including without limitation, the rate and revenue covenants therein. The Sewer Authority irrevocably agrees to comply with the provisions of the Joint Resolution, including Supplemental Resolutions, including but not limited to: to set, establish and collect and maintain rates and revenue as necessary to continually comply with the terms, conditions and covenants of the General Resolution. The City irrevocably agrees to comply with the provisions of the General Resolution. In order to implement the provisions of the Joint Resolution the City and the Sewer Authority may enter into an indenture of trust with a bank and trust company which indenture may contain provisions customarily included in revenue bond financings, including provisions of a similar nature to those in the Joint Resolution and which are necessary, convenient or advisable in connection with the issuance of the Bonds and their marketability. The Issuer Officials are hereby authorized to execute and

deliver on behalf of the City and the Sewer Authority an indenture in such final form and containing such terms and conditions as they shall approve, and their signatures on any such indenture shall be conclusive evidence of their approval as authorized hereby.

(iii.) The Issuer Officials on behalf of the City and the WPCA are authorized to agree to additional terms and to delete or change existing terms and otherwise amend the form of Joint Resolution in order to obtain State or federal funding, provide better security for the bonds, correct any matter, cure any ambiguity or defect or otherwise benefit the Issuer in their judgment. Such additional or different terms may include restrictions on the use of WPCA funds or fund balance, coverage ratios, additional or changed reserve requirements, identification and pledge of revenues securing the Bonds, providing for the form of the Bonds, conditions precedent to the issuance of Bonds and additional Bonds, the establishment and maintenance of funds and the use and disposition there from, including but not limited to accounts for the payment of debt service, the payment of operating expenses, debt service reserve and other reserve accounts, providing for the issuance of subordinated indebtedness, defining an event of default and providing for the allocation of revenues in such event, credit enhancement, providing for a pledge and allocation of sewer revenues to pay for obligations issued by third parties, and provisions of a similar and different nature to those in the Joint Resolution and which are necessary, convenient or advisable in connection with the issuance of the Bonds and their marketability, and to obtain the benefits of any state or federal grant or low interest loan program, including but not limited to the Clean Water Fund and Federal Department of Agriculture Programs. The Issuer Officials are hereby authorized, in addition to the General Resolution, to execute and deliver on behalf of the Issuer and the WPCA an indenture of trust in such final form and containing such terms and conditions as they shall approve, and their signatures on any such indenture shall be conclusive evidence of their approval as authorized hereby.

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.

Section 6. Said Bonds shall be sold by the Issuer Officials in a competitive offering or by negotiation, in their discretion. If sold in a competitive offering, the Bonds shall be sold upon sealed proposals at not less than par and accrued interest on the basis of the lowest not or true interest cost to the City. A notice of sale or a summary thereof describing the bonds and setting forth the terms and conditions of the sale shall be published at least five days in advance of the sale in a recognized publication carrying municipal bond notices and devoted primarily to financial news and the subject of state and municipal bonds. If the Bonds are sold by negotiation, the Issuer Officials, are authorized to execute a purchase agreement on behalf of the City and WPCA containing such terms and conditions as they deem appropriate and not inconsistent with this Ordinance.

Section 7. Resolution of Official Intent to Reimburse Expenditures with Borrowings. That City of Norwich (the "Issuer") 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 days prior to and after the date of passage of this Resolution in the maximum amount and for the capital project defined in Section 1 with the proceeds of bonds, notes, or other obligations ("Bonds") authorized to be issued by the Issuer. 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 the Regulations may authorize. The Issuer hereby certifies that the intention to reimburse as expressed herein is based upon its reasonable expectations as of this date. The Comptroller, and General Manager City of Norwich Department of Public Utilities or their designee is authorized to pay project expenses in accordance herewith pending the issuance of reimbursement bonds, and to amend this declaration.

Section 8. It is hereby found and determined that the issue of all, or a portion of, the Bonds, Notes or other obligations of the City authorized to be issued herein as qualified private activity bonds, or with interest that is includable in gross income of the holders thereof for purposes of federal income taxation, is in the public interest. The Issuer Officials are hereby authorized to issue and utilize without further approval any financing alternative available to municipal governments pursuant to HR1, "Making Supplemental Appropriations for Job Preservation and Creation, Infrastructure Investment, Energy Efficiency and Science, Assistance to the Unemployed, and State and Local Fiscal Stabilization, for the Fiscal Year Ending September 30, 2009, and for other purposes" (the "American Recovery and Reinvestment Act of 2009"), including but not limited to any "tax credit bond," or "Build America Bonds" including Direct Payment and Tax Credit Versions.

Section 9. This Ordinance shall be effective upon adoption by the City Council and its approval by the Sewer Authority.

Item 5. Performance Reports. The January 2010 financial report was presented to the Sewer Authority for their information. Informative.

Item 6. NPU Sewer Division Tactical Information. The following tactical reports or updates were provided to the Sewer Authority for their review and information:

- a) Wastewater Treatment Plant Operations Report. Informative.
- b) Wastewater Treatment Plant & CSO Report. Michael LaLima made a presentation to the Board on the Wastewater Treatment Plant Collections System and Long Term Control Plan. Informative.
- c) ARRA Stimulus Grants. Informative.
- d) Newton Street Sewer Project.

Item 7. Other Business. None.

Item 8. The next Regular Meeting is scheduled to be held on Tuesday, March 23, 2010.

Sewer Authority Member Remondi, seconded by Secretary Demicco moved to adjourn the Meeting at 7:20 p.m.

Attest:

Frank Demicco
Secretary