

**THE CITY OF WARWICK  
STATE OF RHODE ISLAND**

**CHAPTER 66**

**SEWERS AND SEWAGE DISPOSAL**

*No..... Date.....*

*Approved.....Mayor*

**AN AMENDED AND RESTATED ORDINANCE  
OF THE CITY OF WARWICK APPROVING THE FINANCING  
OF THE DESIGN, CONSTRUCTION, EQUIPPING AND EXTENSION OF THE  
CITY'S SEWER LINES AND SEWAGE COLLECTION SYSTEM, INCLUDING  
BUT NOT LIMITED TO THE GOVERNOR FRANCIS III WASTEWATER  
COLLECTION SYSTEM, THE NORTHWEST GORTON POND WASTEWATER  
COLLECTION SYSTEM, THE O'DONNELL HILL AREA WASTEWATER  
COLLECTION SYSTEM, THE BAYSIDE I WASTEWATER COLLECTION  
SYSTEM, THE BAYSIDE II WASTEWATER COLLECTION SYSTEM, THE  
BAYSIDE III WASTEWATER COLLECTION SYSTEM AND THE OAKLAND  
BEACH INTERCEPTOR AND APPROVING THE ISSUANCE OF SEWER SYSTEM  
REVENUE BONDS AND NOTES THEREFOR  
IN AN AMOUNT NOT TO EXCEED \$33,000,000**

WHEREAS, the health, safety and welfare of the citizens of the City of Warwick (the "City") are matters of paramount importance to the City Council; and

WHEREAS, the City Council desires that revenue bonds be issued to provide a funding source for the City's sewage collection and treatment system in furtherance of the health, safety and welfare of its citizens; and

WHEREAS, Ordinance O-13-22, adopted by the City Council on December 9, 2013 and approved by the Mayor on December 10, 2013, authorized Bonds and Notes (each defined therein) to be issued exclusively for the design, construction, equipping and extension of the City's sewer lines and sewage collection system, including but not limited to the Governor Francis III Wastewater Collection System, the Northwest Gorton Pond Wastewater Collection System, the O'Donnell Hill Area Wastewater Collection System, the Bayside I Wastewater Collection System, the Bayside II Wastewater Collection System, the Bayside III Wastewater Collection System (the "Collection System Projects"); and

1           WHEREAS, the City issued a portion of its Wastewater System Revenue Bonds, 2017  
2 Series A for the purpose of financing a portion of the Collection System Projects; and

3           WHEREAS, there are currently unspent proceeds of the 2017 Series A Bonds in the amount  
4 of \$2,960,000 which must be dedicated by June 30, 2012 to a “shovel ready” project which has an  
5 existing Certificate of Approval from the Rhode Island Department of Environmental Management  
6 (“RIDEM”) or else be applied to the debt service on the 2017 Series A Bonds if no project with an  
7 existing Certificate of Approval is identified by that date: and

8           WHEREAS, RIDEM and the Rhode Island Infrastructure Bank, formerly known as the  
9 Rhode Island Clean Water Finance Agency, have proposed using the unspent proceeds for the  
10 rehabilitation of the Oakland Beach Interceptor which is shovel ready, has an existing Certificate of  
11 Approval from RIDEM and is in need of funding;

12           WHEREAS, the Warwick Sewer Authority wishes to obtain approval from Warwick City  
13 Council to use the \$2,960,000 in unspent proceeds of the 2017 Series A Bonds to fund the  
14 rehabilitation of the Oakland Beach Interceptor;

15  
16           *NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF WARWICK:*

17  
18           SECTION 1. Section 66-4 of Chapter 66 of the Code of Ordinances of the City of  
19 Warwick is hereby amended to read as follows:

20           **Sec. 66-4. Borrowing Payable from City's Sewer System Revenues Authorized.**

21           (a) In addition to the authority granted by Sections 66-2 and 66-3 of the Code of  
22 Ordinances, the sum of Thirty-Three Million Dollars (\$33,000,000) is appropriated for the  
23 design, construction, equipping and extension of the City's sewer lines and sewage collection  
24 system, including but not limited to the Governor Francis III Wastewater Collection System, the  
25 Northwest Gorton Pond Wastewater Collection System, the O'Donnell Hill Area Wastewater  
26 Collection System, the Bayside I Wastewater Collection System, the Bayside II Wastewater  
27 Collection System, the Bayside III Wastewater Collection System, the Oakland Beach Interceptor  
28 (provided, however, that the appropriation for the Oakland Beach Interceptor is limited to  
29 \$2,960,000), and the costs of issuance of the Bonds and Notes (defined below) (collectively, the  
30 “Project”). The \$2,960,000 appropriated for the Oakland Beach Interceptor shall be funded from  
31 unspent proceeds of the City's Wastewater System Revenue Bonds, 2017 Series A previously  
32 issued to the Rhode Island Infrastructure Bank (“RIIB”). The period of usefulness of the Project  
33 is expected to be not less than twenty-five (25) years.

34           (b) This Ordinance is adopted in accordance with the Rhode Island Clean Water  
35 Finance Agency Act, Chapter 46-12.2 of the Rhode Island General Laws, which requires that the  
36 City comply with the City Charter to the extent it is not in conflict with Chapter 46-12.2. The  
37 Mayor and the City Treasurer are hereby authorized to borrow an amount not exceeding Thirty-  
38 Three Million Dollars (\$33,000,000) from RIIB ~~the Rhode Island Clean Water Finance Agency,~~  
39 and to evidence such loan, such officers are hereby authorized to issue and refund on behalf of  
40 the Warwick Sewer Authority, in an amount not exceeding Thirty-Three Million Dollars  
41 (\$33,000,000), wastewater system revenue bonds (the “Bonds”), at one time, or from time to  
42 time, in order to meet the foregoing appropriation.

1 (c) The said officers from time to time may issue and refund not exceeding Thirty-  
2 Three Million Dollars (\$33,000,000) interest bearing or discounted wastewater system revenue  
3 notes (the "Notes") in anticipation of the issuance of said Bonds.

4 (d) The estimated maximum cost of the Project is \$33,000,000.

5 (e) The Bonds and Notes shall be payable solely from revenues of the City's sewer  
6 system including, but not limited to, annual charges, sewer assessments and connect capable  
7 charges (the "Sewer Revenues"). The Bonds and Notes are not and shall never be general  
8 obligations of the City and therefore the authorization of the Bonds and Notes is not subject to  
9 the referendum requirements of the City Charter as the City's full faith and credit is not pledged  
10 to the payment of the Bonds and Notes. The City may issue bonds, notes, or other obligations on  
11 a parity with the Bonds. The manner of sale, amount, denominations, maturities, conversion or  
12 registration privileges, interest rates, medium of payment, and other terms, conditions and details  
13 of the Bonds or Notes may be fixed by the officers authorized to sign the Bonds or Notes. The  
14 net debt of the City is not affected by the issuance of the Bonds or Notes as the Bonds and Notes  
15 will not be general obligations of the City but will be payable solely from wastewater system  
16 revenues. The Bonds and Notes authorized hereby will be within all debt and other limitations  
17 prescribed by the Constitution and the laws of Rhode Island.

18 (f) The Mayor, the City Treasurer and the Chairperson of the Warwick Sewer  
19 Authority are also authorized, empowered and directed, to: (i) execute, acknowledge and deliver  
20 a Supplemental Indenture by and among the City, the Warwick Sewer Authority and U.S. Bank  
21 National Association, as trustee (the "Trustee") (the "Supplemental Indenture") amending and  
22 supplementing the Trust Indenture dated December 30, 2004 by and between the City and the  
23 Trustee (as amended, the "Trust Indenture"), and any and all other loan agreements, documents,  
24 certificates or instruments necessary to effectuate such borrowing; (ii) amend, modify or  
25 supplement the Trust Indenture, the Supplemental Indenture, the Bonds or Notes and any and all  
26 other loan agreements, documents, certificates or instruments at any time and from time to time,  
27 in such manner and for such purposes as such officers shall deem necessary, desirable or  
28 advisable; and (iii) do and perform all such other acts and things deemed by such officers to be  
29 necessary, desirable or advisable with respect to any matters contemplated by this Ordinance in  
30 order to effectuate said borrowing and the intent hereof.

31 (g) The Mayor, the City Treasurer and the Chairperson of the Warwick Sewer  
32 Authority are hereby authorized to deliver the Bonds or Notes to the purchaser and said officers  
33 are hereby authorized and instructed to take all actions necessary to ensure that interest on the  
34 Bonds and Notes will be excludable from gross income for federal income tax purposes and to  
35 refrain from all actions which would cause interest on the Bonds or Notes to become subject to  
36 federal income taxes.

37 (h) The Mayor, the City Treasurer and the Chairperson of the Warwick Sewer  
38 Authority are authorized to take all actions necessary to comply with federal tax and securities  
39 laws including Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule") and  
40 to execute and deliver a Continuing Disclosure Certificate in connection with the Bonds or Notes  
41 in the form as shall be deemed advisable by the Mayor, the City Treasurer and the Chairperson of  
42 the Warwick Sewer Authority in order to comply with the SEC Rule. The City hereby covenants  
43 and agrees that it will comply with and carry out all of the provisions of the Continuing

1 Disclosure Certificate, as it may be amended from time to time. Notwithstanding any other  
2 provision of this Ordinance or the Bonds or Notes, failure of the City to comply with the  
3 Continuing Disclosure Certificate shall not be considered an event of default; however, any  
4 Bondholder or Noteholder may take such actions as may be necessary and appropriate, including  
5 seeking mandate or specific performance by court order, to cause the City to comply with its  
6 obligations under this Section and under the Continuing Disclosure Certificate.

7 SECTION 2. This Ordinance shall take effect upon its passage.

8 SPONSORED BY: COUNCILWOMAN TRAVIS

9 COMMITTEE: INTERGOVERNMENTAL