

TOWN OF DURHAM

**SPECIAL TOWN MEETING (OCTOBER 29, 2018)
AND REFERENDUM (DECEMBER 4, 2018)**

**RESOLUTION AUTHORIZING AN APPROPRIATION OF \$7,000,000
FOR THE ACQUISITION AND CONVERSION OF THE FORMER
FRANCIS E. KORN ELEMENTARY SCHOOL BUILDING INTO A
COMMUNITY CENTER AND THE FINANCING OF SAID
APPROPRIATION BY THE ISSUANCE OF GENERAL OBLIGATION
BONDS OF THE TOWN AND NOTES IN ANTICIPATION OF SUCH
BONDS IN AN AMOUNT NOT TO EXCEED \$7,000,000**

*(For distribution and discussion (but not vote on) at
Special Town Meeting and to be on file with Town Clerk)*

RESOLVED:

(1) That the Town appropriate the sum of \$7,000,000 for the cost of (a) the acquisition of certain real property measuring approximately six (6) acres located at 144 Pickett Lane and all improvements thereon, including the building commonly known as the former Francis E. Korn Elementary School (the "Korn School"), including, without limitation, the payment of all amounts, costs and expenses arising under that certain Memorandum of Understanding to be entered into by and among the Town, Regional District Number 13 of the State of Connecticut (the "District") and the Town of Middlefield (the "MOU") and any purchase and sale agreements, contracts and any other agreements entered into in connection therewith, including costs relating to the conveyance of approximately 5.77 acres of real property located on Tuttle Road, adjacent to the Frederick Brewster School, to the District pursuant to the MOU, and (b) the conversion of the Korn School building into a community center, including, without limitation, the costs of the planning, design, renovation, repair and reconstruction of the Korn School building (the "Project"). In furtherance of the foregoing, the appropriation may be spent for the costs of (i) code compliance work, including handicapped accessibility code improvements, (ii) hazardous material and asbestos abatement, (iii) the repair, renovation and/or reconstruction of interior spaces, the making of exterior façade improvements, masonry and brick repair, replacement, restoration and reconstruction, signage installation, and the repair, renovation and/or replacement of windows, doors and roofing systems, (iv) kitchen and sink repairs, renovation and upgrades, (v) room, wall, ceiling and floor repair, renovation and/or construction, (vi) the replacement and installation of water heaters, water pumps, piping insulation, boilers, chillers and oil tanks, (vii) electrical, mechanical, plumbing, lighting, sprinkler system, HVAC system, fire alarm, building management system and other building system improvements; (viii) the purchase of furniture, fixtures, equipment, IT infrastructure, and other materials; (ix) site improvements, including parking, site paths, lighting, field repair and regrading; (x) the pavement, resurfacing, sealing and repair of driveways, sidewalks and parking lots; (xi) the preparation and printing of RFP materials, bid documents, cost estimate reports, feasibility studies, engineering studies, surveys, environmental reports, informational materials

and other preliminary materials, studies and reports related to the Project; and (xii) design, planning, demolition, construction, site work, permit fees and expenses, engineering fees and related services, construction management expenses, architectural, insurance, testing and inspections, legal and other consultant fees, administration, bidding expenses, costs of issuance, advertising and printing expenses, net interest on borrowings and other financing costs, and any other costs and expenses related to the Project or its financing. The Board of Selectmen (the "Board") is authorized to determine the scope and particulars of the Project. The Board may reduce or modify the scope of the Project, and the entire appropriation authorized hereby may be spent on the Project as so reduced or modified.

(2) That to finance said appropriation for the Project, the Town issue bonds and/or notes in an amount not to exceed \$7,000,000 (or so much thereof as may be necessary after deducting grants or other sources of funds received by the Town for said project). The bonds or notes shall be issued pursuant to Chapter 109 of the Connecticut General Statutes, Revision of 1958, as amended (the "Connecticut General Statutes"), including, without limitation, Section 7-369 of the Connecticut General Statutes, and any other enabling acts.

(3) That the Town issue and renew notes from time to time in anticipation of the receipt of the proceeds from the sale of the bonds or notes for the Project or the receipt of grants for the Project. The amount of the notes outstanding at any time shall not exceed \$7,000,000. The notes shall be issued pursuant to Section 7-378 of the Connecticut General Statutes. The Town shall comply with the provisions of Section 7-378a of the Connecticut General Statutes with respect to any notes that do not mature within the time permitted by said Section 7-378.

(4) That the First Selectman, or a majority of the Board, and the Treasurer (the "Officials") be authorized to sign said bonds or notes by their manual or facsimile signatures and to determine the amounts, rates of interest, dates, maturities, dates of principal and interest payments on such bonds or notes, the form of such bonds or notes, the provisions for protecting and enforcing the rights and remedies of the holders of such bonds or notes and all other terms, conditions and particular matters regarding the issuance and securing of such bonds or notes and to execute, sell and deliver the same, and provide all supporting documentation as may be necessary or desirable to accomplish such purposes and to comply with the requirements of the Internal Revenue Code of 1986, as amended, Securities and Exchange Commission Rule 15c-12, and in accordance with the provisions of the Connecticut General Statutes and any other applicable provision of law thereto enabling. The bonds and notes authorized hereby shall be general obligations of the Town secured by the full faith and credit of the Town.

(5) That the Officials are hereby authorized to designate a bank or trust company to be the certifying bank, registrar, transfer agent and paying agent for such bonds and notes; to provide for the keeping of a record of the bonds or notes; to designate a municipal advisor to the Town in connection with the sale of the bonds or notes; that the law firm of Updike, Kelly & Spellacy, P.C., Hartford, Connecticut, is designated as the attorneys at law to render an opinion approving the legality of such issue or issues.

(6) That the Officials are authorized to sell the bonds or notes at public or private sale; to deliver the bonds or notes; and to perform all other acts which are necessary or appropriate to issue the bonds or notes, including, but not limited to, entering into a continuing disclosure agreement pursuant to Securities and Exchange Commission Rule 15c2-12. If the bonds or notes authorized by this resolution are issued on a tax-exempt basis, the Officials are authorized to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes, including covenants to pay rebates of investment earnings to the United States in future years.

(7) That the Town hereby declares its official intent under Federal Income Tax Regulations Section 1.150-2 that project costs may be paid from temporary advances of available funds and that (except to the extent reimbursed from grant moneys) the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing authorized above for the Project. The Officials are authorized to amend such declaration of official intent as they deem necessary or advisable and to bind the Town pursuant to such representations and covenants as they deem necessary or advisable in order to maintain the continued exemption from federal income taxation of interest on the bonds or notes authorized by this resolution, if issued on a tax-exempt basis, including covenants to pay rebates of investment earnings to the United States in future years.

(8) That the First Selectman is hereby authorized, on behalf of the Town, to execute any purchase and sale agreements and any contracts with engineers, contractors, architects and other persons for the Project, to apply for and accept state and federal grants or loans to finance the appropriation for the Project, and to execute and file any application or enter into any grant agreement, loan agreement or other agreements prescribed by the State of Connecticut or the federal government, as applicable, including any agreements with the U.S. Department of Agriculture.

(9) That the Officials and other proper officers of the Town are authorized to take all other actions which are necessary or desirable to complete the Project consistent with the foregoing and to issue bonds or notes to finance the aforesaid appropriation.

(10) That this resolution shall become effective after approval at referendum vote.