

February 24, 2020



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VIA E-MAIL (stucker@cityofbeacon.org)

Susan K. Tucker, CPA
Director of Finance
City of Beacon
1 Municipal Plaza
Beacon, New York 12508



Re: City of Beacon, DutchessCounty, New York
Water Supply Treatment and Distribution System - \$5,100,000 Bonds
Orrick File: New

Dear Susan:

We have prepared and enclose herewith a draft form of bond resolution relating to the above matter for possible adoption by the City Council. Please check SEQRA status.

If utilized, please see that this resolution is adopted by the affirmative vote of at least two-thirds of the entire voting strength of the City Council. After adoption, the summary Legal Notice of Estoppel of the resolution, a form of which is enclosed herewith for your convenience, should be published once in the official newspaper of the City.

When available kindly furnish us with a certified copy of the enclosed resolution, together with an original printer's affidavit of publication of the Legal Notice of Estoppel thereof.

Please do not hesitate to call if you have any questions.

With best wishes,

Very truly yours,

A handwritten signature in black ink that reads "Douglas".

Douglas E. Goodfriend

DEG/zmt
Enclosures
4156-0683-4211.01

cc: Ms. Beth Ferguson (w/encl.) (bferguson@fiscaladvisors.com)

**EXTRACTS FROM MINUTES OF A MEETING OF THE CITY COUNCIL
OF THE CITY OF BEACON, DUTCHESS COUNTY, NEW YORK**

(\$5,100,000-Water Supply Treatment and Distribution System, 40 years)

A regular meeting of the City Council of the City of Beacon (the "City"), located in the County of Dutchess, State of New York, was held at 1 Municipal Center, in Beacon, New York, on March 16, 2020, at _____ o'clock, _____.M. (Prevailing Time), at which meeting a quorum was at all times present and acting. There were:

PRESENT:

ABSENT:

ALSO PRESENT:

* * * * *

Councilperson _____ submitted the following bond ordinance and moved for its adoption. The motion was seconded by Councilperson _____. The City Council of the City was polled. The motion was adopted by a vote _____ affirmative votes (being at least two-thirds of the voting strength of the City Council of the City) with _____ negative votes and _____ votes absent.

BOND ORDINANCE, DATED MARCH 16, 2020, AUTHORIZING THE ISSUANCE OF UP TO \$5,100,000 AGGREGATE PRINCIPAL AMOUNT SERIAL BONDS OF THE CITY OF BEACON, COUNTY OF DUTCHESS, STATE OF NEW YORK, PURSUANT TO THE LOCAL FINANCE LAW, TO FINANCE THE COSTS OF THE RECONSTRUCTION OF AND CONSTRUCTION OF IMPROVEMENTS TO THE CITY WATER SUPPLY TREATMENT AND DISTRIBUTION SYSTEM, IN AND FOR THE CITY.

WHEREAS, the capital project hereinafter described has been determined to be a Type II Action pursuant to the regulations of the New York State Department of Environmental Conservation promulgated pursuant to the State Environmental Quality Review Act, the implementation of which as proposed, such regulations provide, will not result in any significant adverse environmental impact; and

WHEREAS, the City Council of the City of Beacon (the “City”), a municipal corporation of the State of New York, located in the County of Dutchess, hereby determines that it is in the public interest of the City to authorize the financing of the costs of the reconstruction of and construction of improvements to the City water supply treatment system, in and for the City, including original furnishings, equipment, machinery, apparatus, appurtenances, and incidental improvements and expenses in connection therewith (the “Project”), at a total estimated cost not to exceed \$5,100,000, all in accordance with the Local Finance Law;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Beacon, in the County of Dutchess, State of New York, as follows:

Section 1. There is hereby authorized to be issued serial bonds of the City, and/or bond anticipation notes issued in anticipation of the issuance of such serial bonds, in the aggregate principal amount not to exceed \$5,100,000 to finance the costs of the Project at a total estimated cost not to exceed \$5,100,000 all in accordance with the Local Finance Law.

Section 2. The City Council of the City has ascertained and hereby states that (a) the estimated maximum cost of the Project will not exceed \$5,100,000; (b) no money has heretofore been authorized to be applied to the payment of the costs of the Project; (c) the City Council of the City plans to finance the costs of the Project from the proceeds of the serial bonds as authorized herein, and/or of bond anticipation notes issued in anticipation of the issuance of such serial bonds, except to the extent of Federal or State aid received by the City, which shall reduce the principal amount of such serial bonds or bond anticipation notes *pro tanto*; (d) the maximum maturity of the serial bonds authorized herein shall be in excess of five (5) years; and (e) on or before the expenditure of moneys to pay for any costs made in connection with the Project for which proceeds of such obligations are to be applied to reimburse the City, the City Council of the City took “official action” for federal income tax purposes to authorize the capital financing of such expenditure.

Section 3. It is hereby determined that the Project is a class of objects or purposes as described in subdivision 1 of paragraph a of Section 11.00 of the Local Finance Law and that the period of probable usefulness of the Project is forty (40) years. The serial bonds authorized herein shall have a maximum maturity of the forty (40) years computed from the earlier of (a) the date of the first issue of such serial bonds, or (b) the date of the first issue of bond anticipation notes issued in anticipation of the issuance of such serial bonds.

Section 4. Subject to the terms and conditions of this bond ordinance and the Local Finance Law, including the provisions of Sections 21.00, 30.00, 50.00 and 56.00 to 60.00, inclusive, the power to authorize serial bonds as authorized herein, and bond anticipation notes issued in anticipation of the issuance of such serial bonds, including renewals thereof, the power to prescribe the terms, form and contents of such serial bonds and such bond anticipation notes, and the power to sell, issue and deliver such serial bonds and such bond anticipation notes, are hereby delegated to the City Administrator, as the chief fiscal officer of the City. The City Administrator is hereby authorized to execute, on behalf of the City, all serial bonds issued pursuant to this bond ordinance, and all bond anticipation notes issued in anticipation of the issuance of such serial bonds, and the City Clerk is hereby authorized to impress the seal of the City (or to have imprinted a facsimile thereof) to or on all such serial bonds and all such bond anticipation notes and to attest such seal. Each interest coupon, if any, representing interest payable on such serial bonds shall be authenticated by the manual or facsimile signature of the City Administrator.

Section 5. The powers and duties of advertising such bonds for sale, conducting the sale and awarding the bonds hereby delegated to the City Administrator, shall include the power to sell said bonds to the New York State Environmental Facilities Corporation.

Section 6. The City Administrator is hereby further authorized, at his sole discretion, to execute a project finance and/or loan agreement, and any other agreements with the New York State Department of Health and/or the New York State Environmental Facilities Corporation, including amendments thereto, and including any instruments (or amendments thereto) in the effectuation thereof, in order to effect the financing or refinancing of the class of objects or purposes described in Section 1 hereof, or a portion thereof, by a bond, and/or note issue of said City in the event of the sale of same to the New York State Environmental Facilities Corporation.

Section 7. The power to issue and sell notes to the New York State Environmental Facilities Corporation pursuant to Section 169.00 of the Local Finance Law is hereby delegated to the City Administrator. Such notes shall be of such terms, form and contents as may be prescribed by said City Administrator consistent with the provisions of the Local Finance Law.

Section 8. The faith and credit of the City is hereby and shall be irrevocably pledged for the punctual payment of the principal of and interest on all obligations authorized and issued pursuant to this bond ordinance as the same shall become due. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds becoming due and payable in such year. To the extent not paid from other sources, there shall annually be levied on all the taxable real property of said City, a tax sufficient to pay the principal of and interest on such bonds as the same become due and payable.

Section 9. When this bond ordinance takes effect, the City Clerk shall cause the same, or a summary thereof, to be published together with a notice in substantially the form prescribed by Section 81.00 of the Local Finance Law in The Poughkeepsie Journal, a newspaper having a general circulation in the City. The validity of the serial bonds authorized herein, and of bond anticipation notes issued in anticipation of the issuance of such serial bonds, may be contested only if such obligations are authorized for an object or purpose for which the City is not authorized to expend money, or the provisions of law, which should have been complied with as of the date of publication of this bond ordinance, were 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 if such obligations were authorized in violation of the provisions of the Constitution of the State of New York.

Section 10. Prior to the issuance of any obligations authorized herein, the City Council of the City shall comply with all applicable provisions prescribed in Article 8 of the Environmental Conservation Law, all regulations promulgated thereunder by the New York State Department of Environmental Conservation, and all applicable Federal laws and regulations in connection with environmental quality review relating to the Project (collectively, the “environmental compliance proceedings”). In the event that any of the environmental compliance proceedings are not completed, or require amendment or modification subsequent to the date of adoption of this bond ordinance, the City Council of the City will re-adopt, amend or modify this bond ordinance prior to the issuance of any obligations authorized herein upon the advice of bond counsel. It is hereby determined by the City Council of the City that the Project will not have a significant impact on the environment.

Section 11. The City hereby declares its intention to issue the serial bonds authorized herein, and/or bond anticipation notes issued in anticipation of the issuance of such serial bonds (collectively, the “obligations”), to finance the costs of the Project. The City covenants for the benefit of the holders of such obligations that it will not make any use of the proceeds of such obligations, any funds reasonably expected to be used to pay the principal of or interest on such obligations or any other funds of the City, and will not make any use of the Project, which would cause the interest on such obligations to become subject to Federal income taxation under the Internal Revenue Code of 1986, as amended (the “Code”) (except for the federal alternative minimum tax imposed by the Code), or subject the City to any penalties under section 148 of the Code, and that it will not take any action or omit to take any action with respect to such obligations, the proceeds thereof or the Project financed thereby, if such action or omission would cause the interest on such obligations to become subject to Federal income taxation under the Code (except for the federal alternative minimum tax imposed by the Code), or subject the City to any penalties under section 148 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of any serial bonds authorized and issued under this bond ordinance or any other provisions hereof until the date which is sixty (60) days after the final maturity date or earlier prior redemption date thereof. The proceeds of any obligations authorized herein may be applied to reimburse the expenditures or commitments of the City made in connection with the Project on or after a date which is not more than sixty (60) days prior to the date of adoption of this bond ordinance.

Section 12. For the benefit of the holders and beneficial owners from time to time of the serial bonds authorized herein, and of the bond anticipation notes issued in anticipation of the

issuance of such serial bonds, the City agrees, in accordance with and as an obligated person with respect to such obligations under, Rule 15c2-12, as amended (the “Rule”), promulgated by the Securities Exchange Commission pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner as may be required for purposes of the Rule. In order to describe and specify certain terms of the City’s continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the City Administrator is authorized and directed to sign and deliver, in the name and on behalf of the City, the commitment authorized by subsection 6(c) of the Rule (the “Commitment”) to be placed on file with the City Clerk, which shall constitute the continuing disclosure agreement made by the City for the benefit of holders and beneficial owners of the obligations authorized herein in accordance with the Rule, with any changes or amendments that are not inconsistent with this bond ordinance and not substantially adverse to the City and that are approved by the City Administrator on behalf of the City, all of which shall be conclusively evidenced by the signing of the Commitment or amendments thereto. The agreement formed collectively by this paragraph and the Commitment shall be the City’s continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet costs the City would be required to incur to perform thereunder. The City Administrator is further authorized and directed to establish procedures in order to ensure compliance by the City with its continuing disclosure agreement, including the timely provision of information and notices. Prior to making any filing in accordance with the agreement or providing notice of the occurrence of any material event, the City Administrator shall consult with, as appropriate, the City Attorney and bond counsel or other qualified independent special counsel to the City and shall be entitled to rely upon any legal advice provided by the City Attorney or such bond counsel or other qualified independent special counsel in determining whether a filing should be made.

Section 13. This bond ordinance is effective immediately upon adoption by the City Council of the City.

I, **IOLA C. TAYLOR**, Clerk of the City of Beacon (the “City”), located in the County of Dutchess, State of New York, **HEREBY CERTIFY** as follows:

1. A regular meeting of the City Council of the City was duly held on March 16, 2020, and minutes of such meeting have been duly recorded in the Minute Book kept by me in accordance with the law for the purpose of recording the minutes of meetings of the City Council of the City.

2. I have compared the attached extract with such minutes so recorded and such extract is a true and correct copy of such minutes and of the whole thereof insofar as such minutes relate to matters referred to in such extract.

3. Such minutes correctly state the time when such meeting was convened and the place where such meeting was held and the members of the City Council of the City who attended such meeting.

4. Notice of such meeting was given as prescribed by law and such meeting was open to all persons who were entitled by law to attend such meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and impressed the seal of the City, this ____ day of March, 2020.

(SEAL)

IOLA C. TAYLOR
City Clerk
City of Beacon, New York

**CITY OF BEACON
COUNTY OF DUTCHESS, NEW YORK**

ESTOPPEL NOTICE

The bond ordinance published herewith was adopted by the City Council of the City of Beacon (the “City”), a municipal corporation of the State of New York, located in the County of Dutchess, on March 16, 2020. The validity of the obligations authorized by such bond ordinance may be hereafter contested only if such obligations were authorized for an object or purpose, or class of object or purpose, for which the City is not authorized to expend money, or the provisions of law, which should have been complied with as of the date of publication of this notice, were not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty (20) days after the date of publication of this notice, or if such obligations were authorized in violation of the provisions of the Constitution of the State of New York.

Date: March 16, 2020

/s/ Iola C. Taylor

IOLA C. TAYLOR

City Clerk

City of Beacon, New York

BOND RESOLUTION DATED MARCH 16, 2019.

BOND ORDINANCE, DATED MARCH 16, 2020, AUTHORIZING THE ISSUANCE OF UP TO \$5,100,000 AGGREGATE PRINCIPAL AMOUNT SERIAL BONDS OF THE CITY OF BEACON, COUNTY OF DUTCHESS, STATE OF NEW YORK, PURSUANT TO THE LOCAL FINANCE LAW, TO FINANCE THE COSTS OF THE RECONSTRUCTION OF AND CONSTRUCTION OF IMPROVEMENTS TO THE CITY WATER SUPPLY TREATMENT AND DISTRIBUTION SYSTEM, IN AND FOR THE CITY.

Class of objects or purposes:	Reconstruction/construction of improvements to the City water supply, treatment and distribution system
Period of probable usefulness:	40 years
Maximum estimated cost:	\$5,100,000
Amount of obligations to be issued pursuant to this resolution:	\$5,100,000 bonds
SEQRA status:	Type II Action