

RESOLUTION OF THE CITY COUNCIL

No. 472

Approved August 22, 1997

WHEREAS, the City, acting through the Providence Water Supply Board, entered into a Lease and Agreement, dated as of July 1, 1988, and a First Amendment to Lease and Agreement, dated as of July 1, 1989 (collectively, the "Lease") with the Rhode Island Water Resources Board, Corporate (the "Board") to provide for the construction, installation, improvements and leasing of the Fruit Hill Extra High Service System Extension Project (the "Project"); and

WHEREAS, at the request of the City pursuant to the terms of the Lease, the Board issued its \$11,685,000 Revenue Bonds (Providence Water Supply Board - Fruit Hill Extra High Service System Extension Project) 1989 Series A, dated July 1, 1989 (the "1989 Bonds") to finance the Project, the principal of and interest on which are payable from rental payments made to the Board by the City; and

WHEREAS, interest rates are at levels such that the Board and the City have determined that it would be to the City's financial benefit to refinance the 1989 Bonds by means of an advance refunding; and

WHEREAS, the City desires to enter into certain agreements, certificates, instruments and other documents, and any amendments to the same, and to provide certain information to the Board, in order to effectuate the refunding of the 1989 Bonds.

NOW, THEREFORE, BE IT RESOLVED,

1. That the City Council hereby agrees and confirms that it shall pay rentals pursuant to the Lease and any amendments made thereto in connection with the refunding of the 1989 Bonds by the Board.

2. That the City Council hereby authorizes the Mayor and the Chief Engineer and/or the Chairman of the Providence Water Supply Board to take any and all action and to execute, file and deliver any and all agreements, certificates, instruments and other documents, and any amendments to the same including amendments to the Lease, all in such form and with such terms and provisions as the officers executing the same shall approve, and to provide information to the Board regarding the City and the Providence Water Supply Board, in order to effectuate the refunding of the 1989 Bonds.

3. The City's Director of Finance is authorized to execute and deliver a continuing disclosure certificate in connection with the refunding bonds issued by the Board, in such form as shall be deemed advisable by the City's Director of Finance. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the continuing disclosure certificate, as it may be amended from time to time. Notwithstanding any other provision of this Resolution or the bonds, failure of the City to comply with any continuing disclosure certificate shall not be considered an event of default; however, any bondholder or beneficial owner of the bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order,

IN CITY COUNCIL
JUN 19 1997
FIRST READING
REFERRED TO COMMITTEE ON
FINANCE

Michael R. Clement CLERK

THE COMMITTEE ON
FINANCE
Approves Passage of
The Within Resolution

Claire Bestwick
July 1, 1997 Clerk

Councilwoman Nolas, Council President Jorgoli and Councilwoman Di Rizzo

to cause the City to comply with its obligations under this Resolution and under the continuing disclosure certificate.

4. This Resolution shall take effect on passage.

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IN CITY COUNCIL
AUG 14 1997
READ AND PASSED
Evelyn V. Targuoli
PRES.
Jan M. Cavallone
CLERK

APPROVED
AUG 22 1997
Vincent A. Cianci
MAYOR

TILLINGHAST LIGHT & SEMONOFF

PROVIDENCE BOSTON FORT LAUDERDALE SAN JUAN

*Check
w/ Claire?*

TL
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June 5, 1997

HAND DELIVER

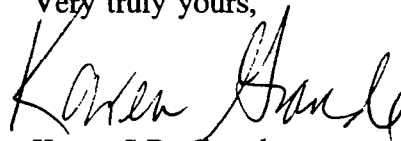
Patricia McLaughlin, Esquire
Deputy City Solicitor
City of Providence
100 Fountain Street
Providence, Rhode Island 02903

Re: Rhode Island Water Resources Board Corporate/Providence Water
Supply Board Advance Refunding

Dear Tricia:

Enclosed please find a copy of a Resolution passed by the Providence Water Supply Board ("PWSB") on May 21, 1997 relating to the above-referenced issue. The PWSB Resolution requests the City Council to join the PWSB in taking actions to effectuate the refinancing. Also enclosed is a draft of a Resolution for the City Council. Please let me know if you have any comments, and I will transmit the Resolution to the City Clerk. If you have any questions, please do not hesitate to call.

Very truly yours,


Karen S.D. Grande

Enclosures

File No. 12327-37

cc: Mr. Boyce Spinelli
Ms. Patricia K. Nolan
Ms. Evelyn V. Fagnoli
Ms. Josephine DiRuzzo
Mr. Richard Rafanovic
Mr. Paul Titzmann
Charles R. Mansolillo, Esquire
Ms. Maureen Gurghigian
Mr. Jay Ryan

I:\WPDOCS\PubFIN\BONDS\6095.1

RESOLUTION OF THE PROVIDENCE WATER SUPPLY BOARD
RELATING TO ADVANCE REFUNDING OF
\$11,685,000 RHODE ISLAND WATER RESOURCES
BOARD, CORPORATE (PROVIDENCE WATER SUPPLY
BOARD - FRUIT HILL EXTRA HIGH SERVICE SYSTEM
EXTENSION PROJECT) REVENUE BONDS, 1989 SERIES A

WHEREAS, the City, acting through the Providence Water Supply Board, entered into a Lease and Agreement, dated as of July 1, 1988, and a First Amendment to Lease and Agreement, dated as of July 1, 1989 (collectively, the "Lease") with the Rhode Island Water Resources Board, Corporate (the "Board") to provide for the construction, installation, improvements and leasing of the Fruit Hill Extra High Service System Extension Project (the "Project"); and

WHEREAS, at the request of the City pursuant to the terms of the lease, the Board issued its \$11,685,000 Revenue Bonds (Providence Water Supply Board - Fruit Hill Extra High Service System Extension Project) 1989 Series A, dated July 1, 1989 (the "1989 Bonds") to finance the Project, the principal of and the interest on which are payable from the rental payments made to the Board by the City; and

WHEREAS, interest rates are at levels such that it would be to the City's and the Providence Water Supply Board's financial benefit to refinance the 1989 Bonds by means of an advance refunding; and

WHEREAS, the Providence Water Supply Board desires to enter into certain agreements, certificates, instruments and other documents, and any amendments to the same, and to provide certain information to the Board, in order to effectuate the refunding of the 1989 Bonds.

NOW, THEREFORE, BE IT RESOLVED,

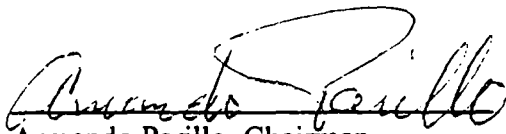
1. That the Providence Water Supply Board hereby agrees and confirms that it shall pay rentals from the funds credited to the Providence Water Supply Board Enterprise Fund pursuant to the Lease and any amendments made thereto in connection with the refunding of the 1989 Bonds by the Board.

2. That the Providence Water Supply Board hereby authorizes the Chief Engineer and/or Chairman of the Providence Water Supply Board to take any and all action and to execute, file and deliver any and all agreements, certificates, instruments and other documents, and any amendments to the same including amendments to the Lease, all in such form and with such terms and provisions as the officers executing the same shall approve, and to provide information to the Board regarding the Providence Water Supply Board, in order to effectuate the refunding of the 1989 Bonds.

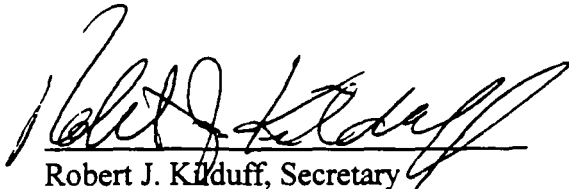
3. That the Providence Water Supply Board hereby requests that the City Council join the Providence Water Supply Board and take such action and pass such resolutions as may be necessary to effectuate the advance refunding of the 1989 Bonds.

4. This resolution shall take effect upon passage.

Approved on Wednesday, May 21, 1997 by vote of the members of the Providence Water Supply Board present.



Armando Parillo, Chairman
Providence Water Supply Board



Robert J. Kilduff, Secretary
Providence Water Supply Board