

April 10, 1957

City Hall

April 10, 1957

The Committee on Finance of the City of Providence meets this day pursuant to the call of Chairman Laudati at 11:00 o'clock a.m. (E.S.T.) in Committee Room "A". Present: Chairman Laudati and Messrs. O'Connor, Boyle and Loughran. Also present are Finance Director Cashman, Budget Officer Moran, City Controller Keegan and Deputy City Treasurer McGovern. (William E. McWilliams, Assistant Clerk.)

Budget Officer Moran outlines the following Ordinances:

AN ORDINANCE AMENDING CHAPTER 1052 OF THE ORDINANCES OF THE CITY OF PROVIDENCE, AS APPROVED SEPTEMBER 20, 1956, AS AMENDED, BY DELETING SEVERAL SECTIONS AND ADDING SEVERAL SECTIONS THERETO. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 1052 by deleting several sections and adding several sections thereto.

AN ORDINANCE AMENDING CHAPTER 760, SECTION 1 "ESTABLISHING A CLASSIFICATION PLAN FOR THE CITY OF PROVIDENCE", AS APPROVED AUGUST 7, 1953. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 760, Section 1, by establishing a Classification Plan for the City of Providence.

AN ORDINANCE AMENDING CHAPTER 763, "ESTABLISHING A COMPENSATION PLAN" FOR THE CITY OF PROVIDENCE, AS APPROVED AUGUST 7, 1953. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 763, by establishing a Compensation Plan for the City of Providence.

AN ORDINANCE AMENDING CHAPTER 1051 BY APPROPRIATING THE SUM OF NINETY THREE THOUSAND (\$93,000) Dollars to several DIVISIONS IN THE BUILDING INSPECTION DEPARTMENT AND PAYING OVER THE UNENCUMBERED BALANCES IN SEVERAL DEPARTMENTS TO THE 1956-1957 CURRENT YEAR SURPLUS. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 1051, by appropriating the sum of \$93,000.00 for the balance of the year to several Divisions in the Building Inspection Department and paying over the unencumbered balances in several departments to the 1956-1957 current year surplus.

AN ORDINANCE AMENDING SECTIONS 15 AND 71 OF CHAPTER 1052 "ESTABLISHING CLASSES OF POSITIONS FOR THE CITY OF PROVIDENCE, AS APPROVED SEPTEMBER 20, 1956. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 1052 by adding one (1) Purchasing Agent I to the Purchasing Department and a Chief of Urban Renewal Planning to the City Plan Commission. The major portion of his salary will be charged to the Federal Government.

AN ORDINANCE AMENDING CHAPTER 760, SECTION 1, "ESTABLISHING A CLASSIFICATION PLAN FOR THE CITY OF PROVIDENCE", AS APPROVED AUGUST 7, 1953. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 760 to establish the qualifications of Chief of Urban Renewal Planning.

AN ORDINANCE AMENDING CHAPTER 763, "ESTABLISHING A COMPENSATION PLAN FOR THE CITY OF PROVIDENCE", AS APPROVED AUGUST 7, 1953. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 763 to establish the salary of Chief of Urban Renewal Planning at \$7,072 per year.

AN ORDINANCE AMENDING CHAPTER 1102 OF THE ORDINANCES APPROVED MARCH 11, 1957 RELATIVE TO THE ISSUANCE OF BONDS IN THE SUM OF TWO MILLION (\$2,000,000.00) DOLLARS TO BE USED TO EFFECTUATE THE PURPOSES AND PROVISIONS OF THE REDEVELOPMENT ACT OF 1956. (In City Council April 4, 1957. Read and Passed the first time.)

This Ordinance amends Chapter 1102 to put the City Council on record that the Redevelopment Bond Issue can only be used for slum clearance. This amendment was requested by our bond counsel.

On motion of Mr. O'Connor, seconded by Mr. Loughran, it is voted to return the above Ordinances to the City Council with recommendation of passage a second time.

SALE OF BONDS

At 11:50 o'clock a.m. Chairman Laudati announces that the meeting is to be continued further for the purpose of receiving bids for the sale of \$4,850,000.00 of Various Purpose Bonds of the City of Providence.

On motion of Mr. O'Connor, seconded by Mr. Boyle, it is voted to adjourn to the City Council Chamber and receive and open bids on the sale of City of Providence Bonds in the sum of \$4,850,000.00.

Mayor Walter H. Reynolds appears at this time. Mr. Walter P. Farrell, member of the Board of Directors of the Industrial National Bank, and Mr. Clarence B. Coleman, Assistant Cashier of the Industrial National Bank, appear and are invited to attend. Mr. Richard Donovan representing Bond Counsel is also present.

IN CITY COUNCIL CHAMBER

At 11:55 o'clock a.m. Chairman Laudati announces that there is five minutes remaining for the receipt of bids for the \$4,850,000.00 City of Providence Bonds.

At 11:59 o'clock a.m. Chairman Laudati announces that there is one minute remaining for the receipt of bids for the \$4,850,000.00 City of Providence Bonds.

April 10, 1957

At 12:00 o'clock Noon, Chairman Laudati announces that the time for receiving bids has expired. Chairman Laudati proceeds to open the bids in public session.

The bids as submitted are read by Deputy City Treasurer McGovern.

The following bids were submitted, accompanied by certified checks in the amount of \$97,000.00.

<u>BIDDER</u>	<u>PRICE BID</u>	<u>INTEREST RATE</u>	<u>PREMIUM</u>
Syndicate headed by: BANKERS TRUST COMPANY Consisting of the following: Chemical Corn Exchange The First National City Bank of New York Harris Trust and Savings Saloman Brothers & Hutzler Lee Higginson Corporation Trust Co., of Georgia National State Bank Spencer Trask Corporation	\$4,851,891.50 equivalent to \$100.039 for each \$100 par value	3.40%	\$1891.50

HALSEY, STUART & CO., INC. AND ASSOCIATES Syndicate headed by: THE FIRST BOSTON CORPORATION) DREXEL & CO.,)-Joint Managers	\$4,850,000.00 \$100.0499	3½%	\$9874.60
Consisting of the following: \$1000.499 for each \$1000 par value C. J. Devine & Co., Inc. Bear, Stearns & Co. Dean Witter & Co. Schoellkopf, Hutton & Pomeroy, Inc. Roosevelt & Cross, Inc. Shearson, Hammill & Co. Andrews & Wells, Inc. John Small & Co. Third National Bank, Nashville Kenower, MacArthur & Co. Elkins, Morris, Stokes & Co.			

Syndicate headed by: HARRIMAN RIPLEY & CO., INC.) LEHMAN BROTHERS)-Joing Managers	\$4,850,000.00 \$100.289	3.70%	\$14016.00
Consisting of the following: Smith, Barney & Co. Kidder, Peabody & Co. Eastman, Dillon, Union Securities & Co. F. S. Moseley & Co. Stone & Webster Securities Corp. Shields & Company Estabrook & Co. Barr Brothers & Co. Tucker, Anthony & R. L. Day Eldredge & Co., Inc. G. H. Walker & Co. Geo. B. Gibbons & Company Incorporated Chas. E. Weigold & Co., Incorporated R. H. Moulton & Company Townsend, Dabney & Tyson			

GLORE, FORGAN & CO.	\$4,859,700.00	3.70%	\$9700.00

April 10, 1957

37

At 12:15 o'clock p.m. Chairman Laudati announces that the public session is closed and the Committee will return to Committee Room "A" for a study and tabulation of bids.

Messrs. Farrell, Coleman, Donavan and Assistant City Solicitor McManus are present at the tabulation.

Upon tabulation of bids, it is apparent that the Syndicate headed by Bankers Trust Company of New York with a bid of \$4,851,891.50 and interest rate of 3.40% per annum are the successful bidders and the Committee can proceed to award. This indicates a premium of \$1891.50.

Said bid reads in part as follows:

"For all but no part of the following described legally issued, properly executed, direct general obligations of the City of Providence, Rhode Island, namely,

- \$650,000. Olneyville Expressway Bonds of 1957, to be dated April 1, 1957, to mature on April 1 as follows:
 - \$32,000. each year 1962 to 1971 inclusive and
 - \$33,000. each year 1972 to 1981 inclusive
- 500,000. School Modernization Bonds of 1957, to be dated April 1, 1957, to mature \$25,000. each year April 1, 1958 to 1977 inclusive
- 2,000,000. Redevelopment Bonds of 1957, to be dated April 1, 1957, to mature \$100,000. each year April 1, 1958 to 1977 inclusive
- 500,000. Sewer Construction Bonds of 1957, to be dated April 1, 1957, to mature \$25,000. each year April 1, 1958 to 1977 inclusive
- 400,000. Traffic Signal and Traffic Control Bonds of 1957, to be dated April 1, 1957, to mature \$20,000. each year April 1, 1962 to 1981 inclusive
- 800,000. Public Works Garage and/or Municipal Garage and Warehouse Bonds of 1957, to be dated April 1, 1957, to mature \$40,000. each year April 1, 1958 to 1977 inclusive

without option of prior payment, to bear interest at the rate of three and four-tenths per centum (3.40%) per annum, to be in coupon form in denomination of \$1,000., exchangeable for bonds registered as to both principal and interest in denominations of \$1,000., \$5,000., \$10,000., or \$20,000., at the option of the holder, principal and semi-annual interest (April 1, and October 1) payable at the First National City Bank of New York, New York, N.Y. and as further described in the official notice of sale dated March 15, 1957.

we will pay the sum of \$4,851,891.50 or \$100.039 for each \$100. par value and accrued interest from date of bonds to date of delivery to us.

This bid is made subject to our being furnished without expense to us at the time of the delivery of these bonds a non-litigation certificate in the usual and customary form and the opinion of Messrs. Sullivan, Donovan, Hanrahan, McGovern & Lane, Attorneys, New York, New York approving their legality satisfactory to us."

On motion of Mr. Boyle, seconded by Mr. Loughran, it is voted that the sale of \$4,850,000.00 City of Providence Various Purpose Bonds authorized by Chapters 1097, 1098, 1099, 1100, 1101 and 1102 of the Ordinances of the City of Providence, approved March 11, 1957

April 10, 1957

to the Bankers Trust Company of New York at a price of \$4,851,891.50 and accrued interest at the rate of 3.40% per annum is hereby confirmed, that being the best bid received therefor, and that a Resolution confirming said sale be submitted to the City Council for approval.

Chairman Laudati thereupon declares the issue of \$4,850,000.00 City of Providence Bonds awarded to the Bankers Trust Company of New York.

On motion of Mr. Loughran, seconded by Mr. O'Connor, it is voted that the City Treasurer return to the unsuccessful bidders, checks which accompanied their proposals.

On motion of Mr. O'Connor, seconded by Mr. Boyle, it is voted to adjourn the meeting at 12:30 o'clock p.m.

William F. McNeill
Assistant Clerk

Copied R.M.M.

Compared gn