



**JULY 28, 2016
THURSDAY
6:30 P.M.**

**AGENDA
SPECIAL COUNCIL MEETING
City Council Chambers, 2nd Floor
265 Main Street-Old Town, Maine**

- I. CALL TO ORDER (Please turn off or silence cell phones)**
- II. FLAG SALUTE**
- III. ROLL CALL**
- IV. Approval of the Minutes.**
- V. PETITIONS, COMMUNICATIONS AND CITIZENS' REQUESTS**
- VI. REPORTS**
 - A. Council President**
 - B. Standing Committees (Finance, Public, Administrative & Economic Services; Landfill, Legislative, Sewer, Airport & Housing sub-committees)**
 - C. City Councilors**
 - D. City Attorney**
 - E. Special Committees**
 - F. City Manager**
- VII. CONSENT AGENDA**
- VIII. PUBLIC HEARINGS AND SECOND READING OF ORDINANCES**
 - SECOND READINGS**
 - 1. The City Council will conduct a Second Reading of an Order pertaining to the issuance of general obligation bonds and notes in amounts not to exceed \$3,000,000 for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of certain assets of the former Expera Mill.**

- 1a. The City Council will consider final approval of an Order pertaining to the issuance of bonds and notes not to exceed \$3,000,000.

Suggested motion: Resolved, the Old Town City Council hereby approves an Order presented at this meeting pertaining to the issuance of general obligation bonds and notes in amounts not to exceed \$3,000,000 for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of certain assets of the former Expera Mill.

(Councilor May)

(Roll Call Vote)

IX. OLD BUSINESS

X. NEW BUSINESS

1. The City Council will hear a presentation from Attorney Jim Katsiaficas regarding the Juniper Ridge Landfill expansion.
2. The City Council will consider authorizing the City Manager to execute an Agreement for Implementation of Declaration of Covenants and Restrictions with NEWSME Landfill Operations, LLC.

Suggested motion: Resolved, the Old Town City Council hereby authorizes the City Manager to execute an Agreement for Implementation of Declaration of Covenants and Restrictions with NEWSME Landfill Operations, LLC to preserve in perpetuity a preservation area comprised of approximately 266 acres northerly of the Juniper Ridge Landfill as recommended by the Economic Development Committee.

(Councilor Roach)

XI. ADJOURNMENT

**CITY OF OLD TOWN
COUNCIL ORDER**

TITLE General Obligation Bonds and Notes – Acquisition of Certain Assets of the Former
Expera Mill – Maximum Aggregate Principal Amount \$3,000,000

ORDERED: That, pursuant to authority granted by the Charter of the City of Old Town and Title 30-A of the Maine Revised Statutes, as amended, the City of Old Town (the “City”) is hereby authorized from time to time to issue and sell to an investment bank, a financial institution, the Maine Municipal Bond Bank, the United States of America or any other person or persons (each a “Purchaser”) its General Obligation Bonds (the “Bonds”) in an aggregate principal amount not to exceed Three Million Dollars (\$3,000,000) for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of any or all improvements to (1) certain assets of the former Expera Mill located in the City and (2) facilities, equipment or both functionally related and subordinate to the foregoing (the “Project”). The Bonds shall be payable over a period not to exceed thirty (30) years from the date of issue of the Bonds. The Bonds shall bear interest at a rate or rates to be determined by the Treasurer of the City and a majority of all members of the City Council. With respect to all or any portion of the Bonds, the City may covenant and consent that the interest on the Bonds is includable, under the U.S. Internal Revenue Code of 1986, as amended, including regulations adopted and amended pursuant to such Code (the “Code”), in the gross income of the holders of the Bonds to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders under the Code.

Principal of the Bonds shall be payable in equal annual serial installments as determined by the Treasurer and a majority of all members of the City Council. Interest shall be payable semiannually on the outstanding principal amount of such Bonds, and such Bonds shall be in registered form, and be in such denominations as may be determined by the Treasurer of the City. The Bonds shall be executed on behalf of the City by a majority of all members of the City Council and the Treasurer of the City in such manner as may be permitted by the laws of the State of Maine and shall be subject to such further terms and conditions as may be agreed to by the Treasurer and a majority of all members of the City Council, with each Bond to bear a legend substantially as follows: “City of Old Town General Obligation Bond.”

The City Council hereby declares that the estimated period of utility of the Project is greater than _____(_____) years and this declaration shall be conclusive determination thereof.

ORDERED: That, pursuant to authority granted by the Charter of the City of Old Town and Title 30-A of the Maine Revised Statutes, as amended, the City of Old Town is hereby authorized from time to time to issue and sell to a Purchaser its bond anticipation notes (the “Notes”) in an aggregate principal amount not to exceed Three Million Dollars (\$3,000,000) for the purpose of interim financing of

the Project in anticipation of issuance of the Bonds. Each issue of Notes shall be subject to prepayment at any time, but shall be paid within one year after the date of issue of such Notes. The Notes shall bear interest at a rate or rates to be determined by the Treasurer of the City and a majority of all members of the City Council. With respect to all or any portion of the Notes, the City may covenant and consent that the interest on the Notes is includable, under the Code, in the gross income of the holders of the Notes to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders under the Code. Interest shall be payable at maturity of the Notes. The Notes shall be in such denominations as may be determined by the Treasurer of the City. The Notes shall be executed on behalf of the City by a majority of all members of the City Council and the Treasurer of the City in such manner as may be permitted by the laws of the State of Maine and shall be subject to such further terms and conditions as may be agreed to by the Treasurer and a majority of all members of the City Council, with each Note to bear a legend substantially as follows: "City of Old Town General Obligation Bond Anticipation Note."

ORDERED: That a tax levy shall be made for each year in which the Bonds are outstanding in an amount necessary to meet the payment of the annual serial installments of principal and the installments of interest due on the Bonds and such amounts shall be included in the tax levy for each year until all outstanding principal and interest due on the Bonds has been paid.

ORDERED: That the City Manager of the City or the Treasurer of the City is hereby authorized to make application on behalf of the City to one or more Purchasers for the purpose of requesting that a Purchaser purchase the Notes, the Bonds or both. All actions heretofore taken in connection with the issuance of the Notes and the Bonds are in all respects hereby ratified, approved and confirmed.

ORDERED: That the Treasurer of the City or President of the City Council, and each of them, hereby is authorized to execute and deliver a loan agreement with a Purchaser in such form and substance as such Purchaser shall require, provided that, notwithstanding any other provision of this Order, any such loan agreement may obligate the City to accept a loan from such Purchaser and issue the Bonds or the Notes to such Purchaser at a rate or rates of interest not to exceed the rate or rates determined by the officer signing the loan agreement and set forth in the loan agreement.

ORDERED: That the City, acting through its President of the City Council or Treasurer, is authorized to execute an assignment of the City's right, title and interest in any funds to be transferred to it by United States of America, the State of Maine or any agency, subdivision, department or instrumentality of either to pay for the costs of the Project financed by the Bonds.

ORDERED: That the engagement of the law firm of Preti, Flaherty, Beliveau & Pachios, LLP to act as bond counsel to the City, to advise the City with respect to the issuance of the Bonds and the Notes, to prepare documentation and to render opinions as may be required by a Purchaser is hereby ratified, approved and confirmed.

ORDERED: That, pursuant to the requirements of the Code, including without limitation Section 265(b)(3) of the Code, the City Treasurer is authorized, to the extent allowed by law, to designate the Bonds and the Notes as “qualified tax-exempt obligations” of the City.

ORDERED: That, if and to the extent applicable and subject to appropriation, the City shall take any and all actions required under the Code to maintain the tax-exempt status of the interest on the Bonds and the Notes and to maintain the status of the Bonds and the Notes as “qualified tax-exempt obligations” of the City, and the Bonds and the Notes shall be subject to such further terms and conditions as may be agreed to by the Treasurer of the City to carry into effect the full purport and intent of the foregoing orders or any one of them.

ORDERED: That, for purposes of Treasury Regulation §1.150-2, the City reasonably expects (1) to incur debt to reimburse expenditures (including expenditures made within the last 60 days) temporarily advanced from funds currently held in the General Fund, such expenditures to be made to pay the cost, or a portion of the cost, of the Project and (2) that the maximum principal amount of debt to be issued by the City for the Project including for reimbursement purposes is Three Million Dollars (\$3,000,000).

ORDERED: That the President of the City Council, the Treasurer and the other officers, officials and agents of the City be and each of them hereby is authorized to execute and deliver any and all instruments, agreements, certificates and other documents, and to take any and all actions, including affixing the seal of the City, as may be necessary, convenient or appropriate to carry out the full purport and intent of the foregoing orders or any one of them.

FIRST READING: July 18, 2016

SECOND READING & PASSAGE: July 28, 2016

Motion by Councilor _____, seconded by Councilor _____ to grant the Order.

VOTE: __ in favor; __ opposed; __ absent

Effective Date: August 8, 2016

ATTEST: _____
Patricia A. Brochu
City Clerk
City of Old Town, Maine