



JUNE 20, 2016  
6:30 P.M.

# CITY OF OLD TOWN FINANCE COMMITTEE AGENDA

City Hall-Council Chambers, 2<sup>nd</sup> Floor  
265 Main Street-Old Town, ME

1. **Call to Order** (Please silence or turn off cell phones)

2. **Airport**

Airport Manager Lance Farrar is requesting a recommendation to the full Council to approve an Apron expansion at the Airport in the amount of \$700,000. Funds are to come from Account #03560 Airport Hangar Reserve and FAA entitlements. The Apron expansion is a FAA and MDOT reimbursable project with a total final cost of 5% or \$35,000.

3. **Sale of City Property**

The Committee will discuss the possible sale of a piece of City property on Cliff Street.

4. **Legal Services Contract**

The Committee will discuss renewing the Legal Services Contract with Rudman and Winchell.

5. **Assessment Grant**

The City Manager is requesting authorization to expend \$14,000 from Fund Balance for cleanup of the PCB's at the Jefferson Street School.

6. **Adjournment**

**FUTURE AGENDA ITEMS**

*Heavy Equipment Replacement Capital Account Discussion*

*Public Safety, Library,*

*UDAG Loan Discussion*

*Foreclosures*

*IT-Phones, Upgrade, IT Staffing*

*Legislative Affairs*

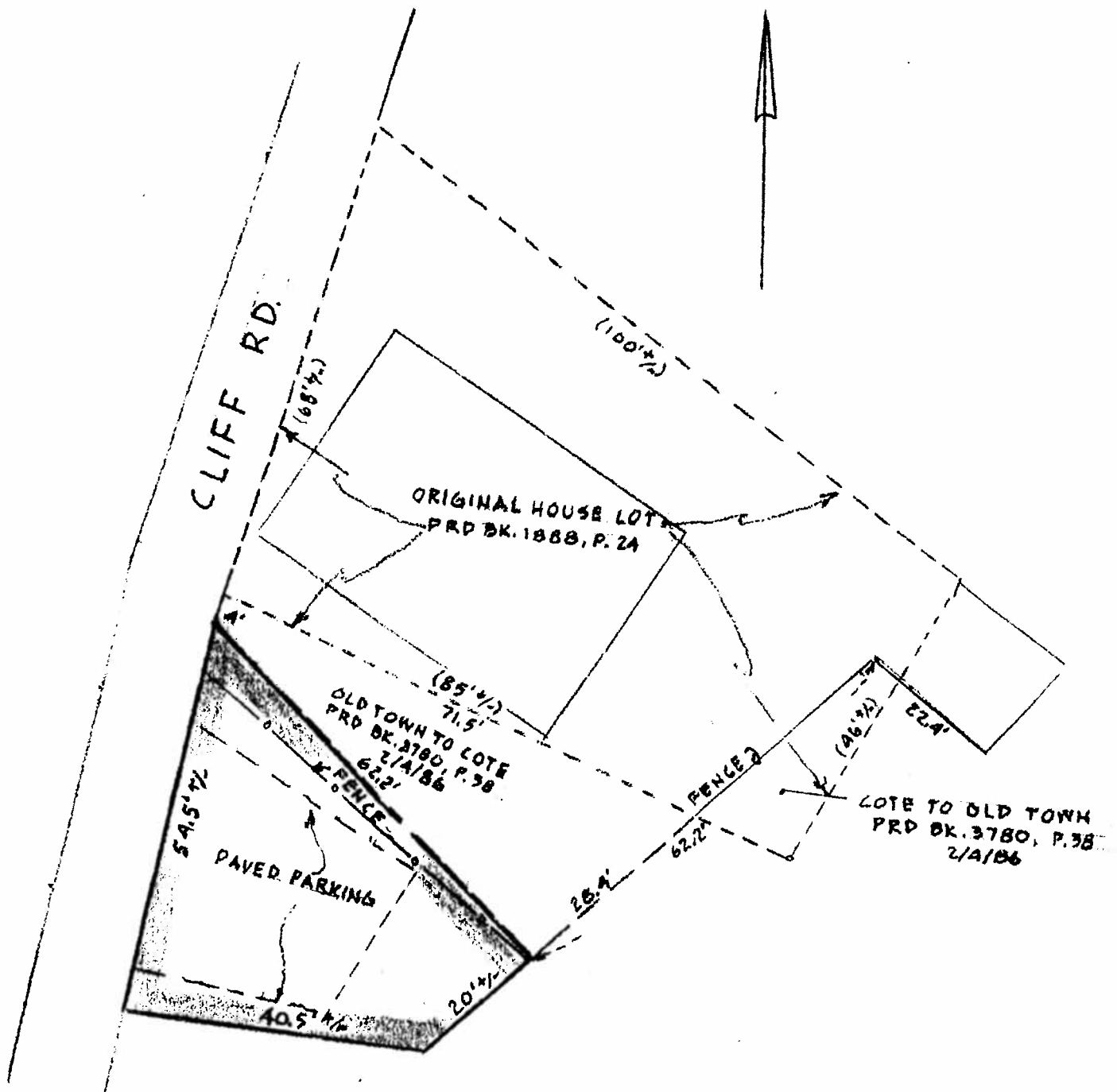
*RSU #34 Update*

**Note:** The Finance Committee is composed of Councilors McLeod (Chair), May, Nuttall and Council President Mahan.

**Cliff Street Property -**

The Committee will discuss the possible sale of a piece of City property on Cliff Street.

Map 31 Lot 37 (A .05 acre portion of this lot.) *Suggested Sale Price \$3,500.00*



SITE PLAN, CARL D. COTE PROPERTY  
A CLIFF ST. OLD TOWN

SHOWING EXISTING DRIVEWAY/PARKING AREA  
 SCALE: 1" = 20'



----- = Proposed boundary line



JUNE 20, 2016

Immediately following the Finance Comm. Mtg.

**CITY OF OLD TOWN  
PUBLIC SERVICES COMMITTEE  
AGENDA**

Old Town City Hall  
Council Chambers, 2<sup>nd</sup> floor  
265 Main Street, Old Town, Maine

1. **Call to Order** (Please turn off or silent cell phones)

2. **American Legion request for easement**

The American Legion Post 75 is requesting an easement from the city to use the land between their building located at 20 Water Street and the City Parking lot. They would like to build a deck onto their building.

3. **Adjournment**

**FUTURE AGENDA ITEMS**  
*Special Projects*

**Note:** The Public Services Committee is composed of Councilors May (Chair), McLeod, Roach and Council President Mahan.



Old Town American Legion Post 75

20 Water Street

Old Town, Maine 04468

June 13, 2016

To: City of Old Town

I William L. Arbuckle Commander of Old Town American Legion Post 75 on behalf of the American Legion Members respectfully ask The City Of Old Town to grant our post an easement to use the land between our building located at 20 Water St. Old Town, Maine and the City Park parking lot. It is our intention to build a deck onto our building.

Although I do believe we in fact do believe this property is ours we are asking for this easement so we may move forward with building a deck for our Veterans to enjoy as we wait to get the survey results of the city park that code enforcement is having done.

The reasons we believe this property is ours is:

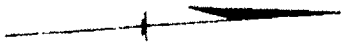
1. It was previously owned By Sam Gordon and David Goldsmith who deeded it over to the American Legion many years ago. (please see attached)
2. All though the City Old Town believes they own it there is no evidence proving this (Travis Roy and Code enforcement were unable to find any information proving this and Code Enforcement Officer said he would have Willy King Survey the Park to determine what the town does own
3. We have documentation from the Penobscot Registry of Deeds of an Easement given to Bangor Hydro from the American Legion to put two telephone poles on said property. Poles are located 28 and 39 feet from our building (please see attached)
4. Our Flag pole has been on the property for almost twenty years.

I respectfully ask the City of Old Town Consider granting this easement at your meeting June 20, 2016

William L. Arbuckle, Post 75 Commander

PLAN OF LAND  
IN

TOWN OLD TOWN  
COUNTY PENOBSCOT  
STATE MAINE  
SCALE 1 INCH = 20 FEET



W A T E R S T R E E T

LOT 15  
LOT 16

DUMOND

405'

*Present Building*

SAM GORDON

TEDD-LAIT POST  
VOL 1192 PA. 407  
40X75 Feet

OR

CITY PARK

Future Foundation Wall  
56  
405

*Concrete Foundation*

DAVID  
GOLDSMITH

STRIAR

405

McPHEE AND FERNANDEZ  
VOL 936 PA 37  
1921

DUMOND

SAINT LOUIS

TEDD-LAIT POST  
VOL 1343 PA 412

GEO R DESJARDINS

R I V E R

R I G H T O F W A Y

KNOW ALL MEN BY THESE PRESENTS, That TEDD-LAIT POST #75 AMERICAN LEGION INC., a Maine corporation having its place of business at  
Old Town, in the County of Penobscot and State of Maine  
being the owner(s) in fee simple of certain lands located in the City of Old Town  
County of Penobscot, State of Maine, and described ~~as follows to-wit:~~ in a Deed to Tedd-La  
Post #75 American Legion Inc. by Lottie M. McPhee and Orman B. Fernandez dated October 31, 1947 a  
recorded at the Penobscot County Registry of Deeds in Volume 1343, Page 412, to which reference  
may be had for a more complete description,

in consideration of One Dollar and other valuable considerations paid by BANGOR HYDRO-ELECTRIC  
COMPANY, a corporation organized and existing under the laws of the State of Maine and having  
its principal place of business at Bangor, County of Penobscot, State of Maine, the receipt  
whereof is hereby acknowledged, do(es) hereby give, grant, sell and convey to said Bangor Hydr  
Electric Company, its successors and assigns forever, the rights, privileges and easements to  
construct, maintain and operate on said lands a line of poles and wires with the necessary  
fixtures and supports, as said line is now located or staked out, in the easterly portion of  
said premises;

and to transmit electricity and voice over said line, and to clear and dispose of interfering  
trees and other growth from time to time, with permission to enter upon the said lands for the  
above purposes; further granting to said Bangor Hydro-Electric Company, its successors and  
assigns, the power to assign to others, in whole or in part, any or all of the rights,  
privileges and easements herein set forth.

The Grantor(s) for itself, and its ~~heirs, executors, administrators and~~ successors  
and assigns, covenant(s) and agree(s) to and with the Grantee, its successors and assigns,  
that it will not erect or maintain any building, trailer, mobile home, or other structure  
or permit the erection or maintenance of any building, trailer, mobile home, or other structur  
of any kind or nature within 10 feet of said line, any or all of which in the opinion of  
the Grantee, its successors and assigns, would endanger or interfere with the exercise of any  
of the rights, privileges and easements hereby conveyed.

TO HAVE AND TO HOLD the said rights, privileges and easements to said Bangor Hydro-Electri  
Company, its successors and assigns forever.

IN WITNESS WHEREOF, \_\_\_\_\_, the said Tedd-Lait Post #75 American Legion Inc. has caused  
this instrument to be executed and its corporate seal affixed hereto by its duly authorized  
~~and~~ representative, \_\_\_\_\_ ~~of the said~~  
~~granting of the foregoing right, privileges and easements and to the extent that the same have~~  
~~hereunto or to the said(s) party(ies) this~~ 30th day of September, A.D. 19 80.

Signed, Sealed, and Delivered  
in the presence of

Danell L. Miles  
\_\_\_\_\_  
\_\_\_\_\_

TEDD-LAIT POST #75 AMERICAN LEGION INC.

by: Fred A. Harvey Jr. Andrs  
Commander  
\_\_\_\_\_  
\_\_\_\_\_



of the rights, privileges and easements hereby conveyed.

TO HAVE AND TO HOLD the said rights, privileges and easements to said Bangor Hydro-Elect Company, its successors and assigns forever.

IN WITNESS WHEREOF, \_\_\_\_\_, the said Tedd-Laid Post #75 American Legion Inc., has cause this instrument to be executed and its corporate seal affixed hereto by its duly authorized and representative, \_\_\_\_\_, ~~granting of the foregoing right, privilege and easements~~ this 30th day of September, A.D. 198

Signed, Sealed, and Delivered in the presence of

Danell L. Miles  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TEDD-LAID POST #75 AMERICAN LEGION INC.

by: Fred A. Savoy Jr. Andrs  
Commander  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF MAINE

County of Penobscot, ss: September 30, 198

Personally appeared the above-named Fred A. Savoy Jr. acknowledged the foregoing instrument to be his free act and deed, and the free act deed of said corporation.

Before me,

*Questioned Mr Miles about 10 ft right of way with fence to be put down there, approval granted 20 Oct 80 JAS Jr.*

Danell L. Miles  
Justice of the Peace  
Notary Public

Entered \_\_\_\_\_ Completed \_\_\_\_\_

**City of Old Town  
Building Permit Application**

Permit # \_\_\_\_\_  
Map # \_\_\_\_\_ Lot # \_\_\_\_\_ Date Issued \_\_\_\_\_

Address of Work 20 Water St Old Town, Me

Zone C-1 Commercial Bus.

Shoreland Zone (y/n) \_\_\_\_\_ Flood Zone (y/n) \_\_\_\_\_

Owners Name Tedd-Laitt American Legion

Address 20 Water St

City Old Town State Me Zip 04468

Phone 827-4378 659-5862

Applicants Name William Arbuckle - Commander

Address 20 Water St

City Old Town State Me Zip 04468

Home Phone 827-4378 Business Phone 659-5862

Description of Project: Building Deck on Side of Building  
16 X 40

Cost

Improvements	_____
Electrical	_____
Plumbing	_____
Heating and Air Conditioning	_____
Total Costs	<u>\$8,000.-</u>

I hereby certify that I am the owner of record of the named property, or that the proposed work is authorized by the owner of the record and that I have been authorized by the owner to make the application as his authorized agent and I agree to conform to all applicable laws of the jurisdiction. In addition, if a permit for work described in this application is issued, I certify that the code official or the authorized representative shall have the authority to enter the property at any reasonable hour to enforce the provisions of the codes and laws applicable to such permit.

William J. Arbuckle  
Signature of Applicant

6-7-16  
Date

\$65.- per  
Fee



**JUNE 20, 2016**

**Monday**

**Immediately following the Public Services Comm. Mtg.**

**AGENDA**  
**SPECIAL COUNCIL MEETING**  
**City Council Chambers, 2<sup>nd</sup> 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 (New Business items 1 & 2) 3**

Suggested motion: Resolved, the Old Town City Council hereby approves the Suggested motions under New Business items 1 & 2 as presented.

(Councilor Nuttall)

## VIII. PUBLIC HEARINGS AND SECOND READING OF ORDINANCES

### SECOND READINGS

1. The Old Town City Council will conduct a Second Reading for final approval on the proposed FY 2016-2017 Municipal, County and School Budget. The proposed budget calls for City expenditures of \$9,465,100, Penobscot County Taxes of \$624,980 and RSU #34 expenditures of \$5,685,052 for a total City, County and RSU #34 Budget of \$15,775,132 with total City revenue of \$5,146,340 and anticipated transfers from reserve accounts and Fund Balance of \$959,981 for a net property tax requirement of \$ 9,688,811.

1a. The Old Town City Council will final approval on the proposed FY 2016-2017 Municipal, County & School Budget.

Suggested motion: Resolved, the Old Town City Council hereby approves the proposed FY 2016-2017 Municipal, County & School Budget. The proposed budget calls for City expenditures of \$9,465,100, Penobscot County Taxes of \$624,980 and RSU #34 expenditures of \$5,685,052 for a total City, County & School Budget of \$15,775,132 with total City revenue of \$5,146,340 and anticipated transfers from reserve accounts and Fund Balance of \$959,981 for a net property tax requirement of \$9,668,811.

(Councilor McLeod)

(Roll Call Vote)

2. The Old Town City Council will conduct Second Reading for final approval on the proposed FY 2016-2017 Pollution Control Budget containing gross appropriations of \$1,877,778, user fee revenue of \$768,200, debt redemption of \$619,735 and anticipated transfers from reserve accounts of \$419,716 with a net appropriation to/(from) Fund Balance of (\$70,127).

2a. The Old Town City Council will consider final approval on the proposed FY 2016-2017 Pollution Control Budget.

Suggested motion: Resolved, the Old Town City Council hereby approves the proposed FY 2016-2017 Pollution Control Budget containing gross appropriations of \$1,877,778 user fee revenue of \$768,200, debt redemption of \$619,716 and anticipated transfers from reserve accounts of \$419,716 with a net appropriation to/ (from) Fund Balance of (\$70,127).

(Councilor May)

(Roll Call Vote)

**3.** The Old Town City Council will conduct a Second Reading on the updated '2016' Comprehensive Plan. The updated '2016' Comprehensive Plan was reviewed and unanimously approved and recommended for adoption by the Old Town City Council by the Old Town Planning Board at their May 17, 2016 Meeting.

**3a.** The City Council will consider final approval and adoption of the '2016' Comprehensive Plan.

Suggested motion: Resolved, the Old Town City Council hereby approves the '2016' Comprehensive Plan as recommended by the Planning Board.

(Councilor Klitch)

(Roll Call Vote)

**4.** The Old Town City Council will conduct a Second Reading of an order pertaining to the issuance of Bonds & Notes in amounts not to exceed \$1,650,000. for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of sewer pump station facilities in the City and other improvements functionally related and subordinate to the foregoing.

**4a.** The City Council will consider final approval of an order pertaining to the issuance of Bonds & Notes in amounts not to exceed \$1,650,000.

Suggested motion: Resolved, the Old Town City Council hereby approves an order presented at this meeting pertaining to the issuance of Bonds & Notes in amounts not to exceed \$1,650,000. for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of sewer pump station facilities in the City and other improvements functionally related and subordinate to the foregoing.

(Councilor Nuttall)

(Roll Call Vote)

**4b.** The City Council will consider approval of the terms and conditions of a proposed loan in an amount not to exceed \$1,650,000 and a grant in the amount of \$550,000 each from the United States of America acting through its Rural Utilities Service.

Suggested motion: Resolved, the City Council of the City of Old Town approves and accepts in all respects, a proposed loan of \$1,650,000 at an interest rate not to exceed One and Three Quarter Percent (1.75%) for a period of twenty nine (29) years, from USDA Rural Development, for the purpose of pump station upgrades in accordance with Loan Resolution (Public Bodies) RUS Bulletin 1780-27, and proposed grant in the amount of \$550,000 in accordance with Grant Agreement RUS Bulletin 1780-12 and the Resolution of the Board to authorize the Treasurer and the City Clerk to execute and deliver all documents, and to take any and all actions necessary to carry into effect such financing, including, but not limited to, Form RD 400-1, Equal Opportunity Agreement, and Form RD 400-4, Assurance Agreement.

(Councilor McLeod)

(Roll Call Vote)

- 4c.** The City Council will consider the adoption of the Loan Resolution (RUS Bulletin 1780-27) in the form presented to this meeting and otherwise required by the United States of America acting through its Rural Utilities Service in connection with a loan not to exceed \$1,650,000 and a grant in the amount of \$550,000.

Suggested motion: Resolved, the Old Town City Council hereby approves and adopts the Loan Resolution (RUS Bulletin 1780-27) presented at this meeting pertaining to a loan from the United States of America Acting through its Rural Utilities Service in connection with a loan not to exceed \$1,650,000 and a grant in the amount of \$550,000 for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of sewer pump station facilities in the City and other improvements functionally related and subordinate to the foregoing.

(Councilor May)

(Roll Call Vote)

- 4d.** The City Council will consider approval of the Water and Waste System Grant Agreement between the City and the United States of America acting through its Rural Utilities Service in the form presented to this meeting and otherwise required by the United States of America acting through its Rural Utilities Service in connection with a grant in the amount of \$550,000.

Suggested motion: Resolved, the Old Town City Council hereby approves the Water and Waste System Agreement presented at this meeting pertaining to a grant from the United States of America Acting through its Rural Utilities Service in the amount of \$550,000 for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of sewer pump station facilities in the City and other improvements functionally related and subordinate to the foregoing; and

Further, resolved, the Old Town City Council hereby authorizes its Treasurer and its City Clerk to execute and deliver a RUS Bulletin 1780-12, "Water and Waste System Grant Agreement", on behalf of the City of Old Town substantially in the form presented to this meeting with such changes and additions as they in their discretion may deem necessary or appropriate; and

Further, resolved, that the Old Town City Council, acting through its appropriate officers as designated in its organizational documents, take all necessary and appropriate steps to carry out the transactions contemplated by the Water and Waste System Grant Agreement approved at this meeting.

(Councilor Nuttall)

(Roll Call Vote)

5. The Old Town City Council will conduct a Second Reading of an order pertaining to the issuance of Bonds & Notes not to exceed \$1,743,000. for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of sewer facilities on, in or near Stillwater Avenue and also on, in or near Elm Street in the City and other improvements functionally related and subordinate to the foregoing.
- 5a. The City Council will consider final approval of an order pertaining to the issuance of Bonds & Notes in amounts not to exceed \$1,743,000.

Suggested motion: Resolved, the Old Town City Council hereby approves an order presented at this meeting pertaining to the issuance of Bonds & Notes not to exceed \$1,743,000. for the purpose of financing all or a portion of the cost of any or all acquisition, design, construction, rehabilitation, upgrading and equipping of sewer facilities on, in or near Stillwater Avenue and also on, in or near Elm Street in the City and other improvements functionally related and subordinate to the foregoing.

(Councilor McLeod)

(Roll Call Vote)

## IX. OLD BUSINESS

## X. NEW BUSINESS

1. The City Council will consider approval of an application from Penobscot Nation for a Major Special Event Permit for the Penobscot River Whitewater Nationals Regatta to be held in the Riverfront Park and to waive the Permit fee.

Suggested motion: Resolved, the Old Town City Council hereby approves an application from Penobscot Nation for a Major Event Permit for the Penobscot River Whitewater Nationals Regatta to be held in the Riverfront Park from July 6, 2016 to July 10, 2016 and to waive the Permit fee.

2. The City Council will consider accepting an after deadline redemption on foreclosed property for Deutsche Bank, located at 2 South Spring Street for payment of 2016 Real Estate Taxes and 2013 to present Sewer fees in the total amount of \$2,555.52.

Suggested motion: Resolved, the Old Town City Council hereby accepts an after deadline redemption on foreclosed property for Deutsche Bank, located at 85 Veazie Street for payment of 2016 RE taxes in the amount of \$1,273.57 and 2013 to present Sewer fees in the amount of \$1,132.95 plus \$150 Late Redemption fee for a total amount of \$2,555.52 which includes interest and lien costs and further authorize the City Manager to execute a Municipal Quit-Claim Deed.

3 Legal Contract

4/

The City Council will consider approval of an application from the United Baptist Church for a Major Special Event Permit for Community Movie Nights to be held in Riverfront Park and to waive the Permit fee.



**CITY OF OLD TOWN  
COUNCIL ORDER**

TITLE            General Obligation Bonds and Notes – Sewer Pump Station Improvements –  
Maximum Aggregate Principal Amount \$1,650,000

**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 One Million, Six Hundred Fifty Thousand Dollars (\$1,650,000) 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) the sewer pump facilities 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 forty-five (45) 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 One Million, Six Hundred Fifty Thousand Dollars (\$1,650,000) 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 One Million, Six Hundred Fifty Thousand Dollars (\$1,650,000).

**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: June 6, 2016

SECOND READING & PASSAGE: June 20, 2016

Motion by Councilor \_\_\_\_\_, seconded by Councilor \_\_\_\_\_ to grant the Order.

VOTE: \_\_\_ in favor; \_\_\_ opposed; \_\_\_ absent

Effective Date: July 1, 2016

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

**CITY OF OLD TOWN  
COUNCIL ORDER**

TITLE            General Obligation Bonds and Notes – Stillwater Avenue and Elm Street Sewer Improvements – Maximum Aggregate Principal Amount \$1,743,000

**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 One Million, Seven Hundred Forty-Three Thousand Dollars (\$1,743,000) 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) the wastewater collection and transmission systems of the City in or about Stillwater Avenue and in or about Elm Street, each 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 forty-five (45) 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 One Million, Seven Hundred Forty-Three Thousand Dollars (\$1,743,000) 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 One Million, Seven Hundred Forty-Three Thousand Dollars (\$1,743,000).

**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: June 6, 2016

SECOND READING & PASSAGE: June 20, 2016

Motion by Councilor \_\_\_\_\_, seconded by Councilor \_\_\_\_\_ to grant the Order.

VOTE: \_\_\_ in favor; \_\_\_ opposed; \_\_\_ absent

Effective Date: July 1, 2016

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