

Order 153-16/17
Public Hearing held March 20, 2017
Motion to postpone to April 5, 2017: 9-0 on 3/20/2017
Passage: 9-0 on 4/5/2017

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER AUTHORIZING GENERAL OBLIGATION BONDS
TO FINANCE A PORTION OF THE CITY'S FY18 CAPITAL IMPROVEMENT
PROGRAM IN AN AMOUNT NOT TO EXCEED \$24,340,500**

FOLLOWING a public hearing of the City Council of the City of Portland, Maine, held upon due notice pursuant to Article VII, Section 9 of the City Charter, **IT IS HEREBY ORDERED THAT:**

There be and hereby is authorized and approved the incurring of indebtedness by the City of Portland and the issue and sale of general obligation bonds and notes in anticipation thereof in the aggregate principal amount not to exceed Twenty Four Million Three Hundred Forty Thousand Five Hundred Dollars (\$24,340,500) to finance the items identified in the City's 2018 Capital Improvement Program attached hereto as Exhibit A and all other costs (as defined herein) related and ancillary thereto (the "Projects").

BE IT FURTHER ORDERED:

1. That the Finance Director be and hereby is authorized to prepare, issue, and sell such bonds in the name of and on behalf of the City, in the aggregate amount of \$24,340,500 (the "Bonds") at one time, or from time to time, as one or more separate bond issues, and to determine the date, form, minimum denomination, interest rates (as term bonds or serial bonds or some combination thereof), maturities (with the last maturity not to exceed the maximum term permitted by law) and all other details, terms and provisions, note inconsistent herewith, including the form and manner of their sale and award as he may approve, such approval to be conclusively evidenced by the execution thereof;

2. That the Finance Director be and hereby is authorized to borrow money in anticipation of said Bonds by the issuance and sale of notes or renewal notes in anticipation of said Bonds ("BANs"), and to determine the date, form, minimum denominations, interest rate, maturities (with the last maturity not to exceed 3 years from its date of issuance) and all other details of each issue of BANs, including the form and manner of their sale and award, subject to the provisions of the law, the City Charter and this Order;

3. That the Finance Director be and hereby is authorized to provide that any of the Bonds and BANs hereinbefore authorized be made subject to call for redemption, with or without premium, prior to their stated dates of maturity, as provided in 30-A M.R.S.A. §5772(6), as amended;

4. That the Bonds and BANs issued hereunder shall be signed by the Finance Director and by the Mayor, either or both of whose signatures may be by facsimile to the extent permitted by law, attested to by the City Clerk, under the seal of the City, and shall be in such form and contain such terms and provisions not inconsistent herewith as they may approve, their approval to be conclusively evidenced by their execution thereof;

5. That the Finance Director is authorized to negotiate, execute, and deliver, in the name of and on behalf of the City such contracts, agreements, instruments and other documents and certificates as may be necessary or appropriate, as determined and approved by the Finance Director, in connection with the financing of the Projects, including a loan agreement in usual and customary form with the Maine Municipal Bond Bank (the "Bond Bank"), to the extent any of the Bonds or BANs authorized herein are issued pursuant to the State of Maine Clean Water Revolving Loan Fund (CWSRF) program established under 30-A M.R.S.A. §6006-A and administered by the Department of Environmental Protection, which contracts, agreements, loan agreements, instruments and other documents and certificates shall be in such form and contain such terms and conditions, not inconsistent herewith, as may be approved by the Finance Director such approval to be conclusively evidenced by his execution thereof;

6. That the Finance Director be and hereby is authorized to select the underwriter for the Bonds or BANs heretofore authorized and the Finance Director be and hereby is authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith;

7. That the Finance Director be and hereby is authorized to prepare, or cause to be prepared, a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds or BANs heretofore authorized, such Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Finance Director, with the advice of the bond counsel for the City, and that the use and distribution of the Preliminary Official Statement and the Official Statement in the name of and on behalf of the City in connection with offering the Bonds or BANs for sale be and hereby is approved;

8. That the Finance Director be and hereby is authorized to select the registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds or BANs heretofore authorized and to execute and deliver such contracts and agreements as may be necessary or appropriate to secure their services;

9. That the Bonds or BANs heretofore authorized shall be transferable only on the registration books of the City kept by the Transfer Agent, and said principal amount of the bonds of the same maturity (but not of other maturity) in minimum denominations of \$5,000 and any integral multiple in excess thereof upon surrender thereof at the principal office of the transfer agent, with a written instrument of transfer satisfactory to the transfer agent duly executed by the registered owner or his attorney duly authorized in writing. Upon each exchange or transfer of a bond the City and the Transfer Agent shall make a charge sufficient to cover any tax, fee or any other governmental charge required to be payable with respect to such exchange or transfer, and with respect to such exchange or transfer, and subsequent to the first exchange or transfer, the cost of preparing new bonds upon exchanges or transfer thereof to be paid by the person requesting the same;

10. That the Finance Director be and hereby is authorized to undertake all acts necessary to provide for the issuance and transfer of such Bonds or BANs heretofore authorized in book-entry

form pursuant to the Depository Trust Company Book-Entry Only System, as an alternative to the provisions of the foregoing paragraph above regarding physical transfer of Bonds or BANs, and the Finance Director be and hereby is authorized and empowered to enter into a Letter of Representation or any other contract, agreement or understanding necessary or, in his opinion, appropriate in order to qualify the Bonds or BANs for and participate in the Depository Trust Company Book-Entry Only System;

11. That the Finance Director and Mayor from time to time shall execute such Bonds or BANs as may be required to provide for exchanges or transfers of Bonds or BANs as heretofore authorized, all such Bonds or BANs to bear the original signature of the Finance Director and Mayor, and in case any officer of the City whose signature appears on any Bond or BAN shall cease to be such officer before the delivery of said Bond or BAN, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery thereof;

12. That if the Bonds or BANs, or any part of them, are issued on a tax-exempt basis, the Finance Director be and hereby is authorized and directed to covenant and certify on behalf of the City that no part of the proceeds of the issue and sale of the Bonds or BANs authorized to be issued hereunder shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Bonds or BANs to be "arbitrage bonds" or "private activity bonds" within the meaning of Sections 148 and 141 of the Internal Revenue Code of 1986, as amended;

13. That if the Bonds or BANs, or any part of them, are issued on a tax-exempt basis, the officers or officials executing the Bonds or BANs be and hereby are individually authorized to covenant and agree, on behalf of the City, for the benefit of the holders of such Bonds or BANs, that the City will file any required reports and take any other action that may be necessary to insure that interest on the notes will remain exempt from federal income taxation, and that the City will refrain from any action that would cause interest on the Bonds or BANs to be subject to federal income taxation;

14. That the officers executing the Bonds or BANs be and hereby are individually authorized to covenant, certify and agree, on behalf of the City, for the benefit of the holders of such Bonds or BANs, that the City will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met;

15. That any or all of the Bonds or BANs issued hereunder may be consolidated with and become a part of any other issue of temporary notes or general obligation bonds authorized to be issued by any previous or subsequent order of the City Council of the City of Portland;

16. That the term "cost" or "costs" as used herein and applied to the Projects, or any portion thereof, includes, but is not limited to (1) the cost to design, acquire, construct, renovate, improve, furnish and equip the Project, or any portion thereof; (2) the cost of land, easements and other real property interests, landscaping and site preparation, including demolition and environmental remediation work on any existing building or structure and on the property where the Project is located, utility extensions and site improvements, and all appurtenances and other fixtures, facilities, buildings and structures either on, above, or under the ground which are used or usable in connection with the Project; (3) the cost of feasibility studies, surveys, environmental studies and assessments, engineering, plans and specifications, legal and other professional services associated with the

Project; (4) issuance costs, including premiums for insurance, capitalized interest and other fees and expenses relating to the financing transaction.

17. That if the actual cost of any Project differs from the estimated cost on the attached Exhibit A, whether due to completion, delay or abandonment of the Project for any other reason, the Finance Director is authorized, in his discretion to reallocate proceeds of the Bonds to any other listed Project or to any other project or improvement that the City Council has approved or may in the future approve as part of the City's annual capital improvement plan;

18. That the Finance Director, Mayor and Clerk and other proper officials of the City be, and hereby are authorized and empowered in its name and on its behalf to do or cause to be done all such acts and things, not inconsistent herewith, as may be necessary or desirable in order to effect the issuance, sale and delivery of the Bonds or BANs hereinabove authorized;

19. That if any of the officers or officials of the City who have signed or sealed the Bonds shall cease to be such officers or officials before the Bonds or BANs so signed and sealed shall have been actually authenticated or delivered by the City, such Bonds or BANs nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds or BANs had not ceased to be such officer or official; and also any such bonds or notes may be signed and sealed on behalf of the City by those persons who, at the actual date of the execution of such Bonds or BANs, shall be the proper officers and officials of the City, although at the nominal date of such Bonds or BANs any such person shall not have been such officer or official;

20. That if the Finance Director, Mayor or Clerk are for any reason unavailable to approve and execute the Bonds or BANs or any other documents necessary or convenient to the issuance, execution and delivery of the Bonds or BANs, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had performed such act.

21. That the Bonds or BANs authorized by this Order are in addition to any bonds or notes previously authorized for the same or similar purposes;

22. That to the extent not payable from other funds, an amount sufficient for the payment of the annual payments of principal and interest on the Bonds or any BANs issued hereunder shall be included in the tax levy of each year until the debt represented by said Bonds or BANs is extinguished.

23. That the following resolutions required by Section C(4)(e) of the State of Maine Revolving Loan Fund Rules, Chapter 595, Department of Environmental Protection and Maine Municipal Bond Bank (the "SRF Regulations"), and governing the loan to be made to the City under the State Revolving Loan Fund Program be and hereby are adopted:

- a. That a Project Account shall be created for the Projects which shall be separate from all other accounts of the City. If operating revenues are to be used to retire the debt, a sub-account will be established.

- b. That the Project Account shall be maintained in accordance with standards set forth by the Bond Bank and in accordance with generally accepted government account standards.
- c. That a final accounting shall be made to the Bond Bank of the total cost of each Project upon completion of the Project performance certification as set out in Section G(3) of the SRF Regulations and the City acknowledges that the Bond Bank reserves the right at its sole discretion to be provided with a cost certification of the Project as built.
- d. That an annual audit of the City, prepared by a certified public accountant or licensed public accountant be provided to the Bond Bank for the term of the loan.
- e. That the City shall maintain insurance coverage on the Projects in an amount adequate to protect the Bond Bank's interest for the term of the loan with the Bond Bank named as loss payee.
- f. That the City will comply with any special conditions specified by the Department of Environmental Protection's environmental determination until all financial obligations to the State have been discharged.
- g. That the City certify to the Bond Bank that it has secured all permits, licenses and approvals necessary and that it has a dedicated source of revenue for repayment.
- h. That the City establish a rate, charge or assessment schedule in order to pay principal and interest. Such rate change or schedule shall provide total operations and debt service coverage at a level at which the coverage for the Bond Bank is sufficient.
- i. That the City must demonstrate the ability to pay reasonably anticipated costs of operating and maintaining the financed Project.
- j. That the City abide by the SRF Regulations, as revised and amended and relevant State statutes of the State of Maine.

24. That during the term any of the Bonds (or bonds issued to refund such Bonds) are outstanding, the Finance Director be and hereby is authorized to issue and deliver refunding bonds to refund some or all of the Bonds then outstanding, and to determine the date, form, interest rate, maturities and all other details of such refunding bonds, including the form and manner of their sale and award. The Finance Director be and hereby is further authorized to provide that any of such refunding bonds hereinbefore authorized be made callable, with or without premium, prior to their stated date(s) of maturity, and each refunding bond issued hereunder shall be signed by the Finance Director and by the Mayor, either or both of whose signatures may be by facsimile to the extent permitted by law, attested to by the City Clerk, under the seal of the City, and shall be in such form and contain such terms and provisions not inconsistent herewith as they may approve, their approval to be conclusively evidenced by their execution thereof.

FY18 CIP - General Fund		Bonded	Other
		Amount	Funding
Transportation			
<i>PACTS/Match/Other Leveraged Funds</i>			
PACTS TIP Intersection Project - Brighton-Deering-Falmouth (USM Roundabout)	\$	767,200	
PACTS RTMS (Regional Transportation Management Systems) - Traffic Signals		260,000	
PACTS TIP Congress Street Signals		110,313	
MPI PACTS paving - Allen Avenue		130,500	
PACTS Collector paving: Veranda Street		85,000	
<i>Traffic Signals / Lights</i>			
Traffic Signals at Various Locations		600,000	
Streetlights: Implement LED Conversion		500,000	
Traffic Signal Work in Support of Paving Programs		210,000	
<i>Streets/Sidewalks</i>			
Pavement Preservation Program		2,700,000	200,000
Thames Street Extension Engineering and Construction		1,400,000	-
Sidewalk Rehabilitation/Accessibility		500,000	100,000
CSO Compliance - SRF Ineligibles		600,000	-
Washington Ave Rehabilitation (Cumberland to E. Prom)		250,000	-
Somerset Street Project Phase 1B		-	240,000
Street Rehabilitation Program		200,000	-
Railroad Quiet Zone Improvements		25,000	-
Transportation Total	\$	8,338,013	\$ 540,000
Facilities			
<i>Buildings/Garages</i>			
Waterproof Decking & Conditional Appraisal Repairs at Spring Street Garage	\$	350,000	
Dectron Air Handling Replacement for Riverton Pool		300,000	
Three Air Handling Units at Public Safety		300,000	
Temple St Parking Garage Cond. Appraisal Repairs		240,000	
Masonry, Windows, remodel at Munjoy Public Safety building		200,000	
Homeless Shelter Planning		125,000	
Fire Station Paving Projects		50,000	
<i>Marine</i>			
Waterfront Fender Systems		1,000,000	
Floats at Cushing Island, Maine State Pier, East End Beach, Peaks		100,000	
Compass Park - Ongoing pile/pier work		100,000	
<i>School Facilities</i>			
Deering High School Windows			750,000
PATHS/CBHS, Presumpscot, Longfellow, DHS & King Campus Paving			500,000
Lyman Moore - Boiler Replacement			300,000
East End Community School Wall Repair			250,000
Deering High School Functional Life Safety Space	66,040		84,960
Energy Management Control Upgrades			50,000
Deering High School Kitchen Remodel / Upgrade			50,000
Engineering for Roofs			40,000
King - Fire Alarm Replacement Engineering			20,000
Lyman Moore - Fire Alarm Replacement Engineering			20,000
PATHS - Technology / Network Engineering			20,000
Facilities Total	\$	2,831,040	\$ 2,084,960
Parks, Fields, Trails			
<i>Parks, Fields, Trails</i>			
Lyman Moore Field Upgrades and Drainage	\$	450,000	
Lincoln Park Fence Repair		300,000	
Amethyst Lot Engineering		300,000	
Congress Square Park		150,000	
Peaks Island, Great Diamond & Cliff Island Playground Replacements		110,200	
Deering Oaks and DHS - Tennis/Basketball Court Resurfacing		100,000	
Riverside Golf Course Culvert Repair/Replacement		50,000	
Parks, Fields, Trails Total	\$	1,460,200	
Equipment and Vehicles			
<i>Equipment</i>			
District Phone System		225,000	
Chiller Replacement		225,000	
Phone System Upgrade		200,000	

Replace Patient Call System	116,000
Virtualization, Storage and Redundancy Upgrade	55,000
EMR and Wi Fi	54,497
Power Line Connection for Ocean Avenue Solar Array	50,000
Security Management System	35,000
Portland Public Library - VOIP Conversion	35,000

Vehicles

Engine 6 Replacement - Fire 0279	700,000
Scheduled Ambulance Replacement	480,000
Loader 5112 and blower 7112 - DPW Winter	335,000
Sidewalk Tractors Replacement (2)	280,000
Police Cruisers (7)) Replacement - Police	266,000
Rubbish Packer Replacement	265,000
Rubbish Packer Replacement - Park Barrels 4042	250,000
TA Dump Truck Replacement - DPW Winter 3098	205,000
Wheel Loader Replacement - Parks/Winter 5101	195,000
SA Plow Truck Replacement - Winter 3125	165,000
SA Plow Truck Replacement - Winter 3036	165,000
Rolloff Truck Replacement - Solid Waste 4000	150,000
Replacement School Bus	132,000
Bucket Truck Replacement - Traffic 5110	125,000
Mower 16' Replacement - Parks 7155	95,000
Toolcat DPW Winter 5004	70,000
1 Ton Utility Truck Replacement - Traffic 2515	55,000
GPS Locating for Winter Vehicles/Equipment	50,000
Skidsteer Replacement - Districting/Winter 5102	45,000
3/4 Ton Pickup Replacement - Barron Center 3908	38,000
Replace Forestry Chipper	35,000
3/4 Ton Utility Van (Pickup to Van Replacement) - Trades - 2004	30,000
3/4 Ton Utility Van (Pickup to Van Replacement) - Trades 2003	30,000
Refurbished Floor Scrubber for Canco Properties	18,000

Equipment and Vehicles Total	5,174,497	
Sub-Total FY18 CIP (General Fund)	\$ 17,803,750	\$ 2,624,960

FY18 CIP - Sewer Fund

Sewer / Stormwater

CMOM - Inflow and Infiltration Program	\$ 260,000
CMOM - Sewer System Renewal	1,100,000
CMOM - Pump Station Rehabilitation	670,000
Engineering Services on Water Resource Projects	300,000
Morrill's Corner Sewer Replacement	250,000
Eastern Waterfront Sewer / Stormwater Extension & Outfall	175,000
Integrated Planning LTCP and Post Construction Monitoring Program	1,000,000
Stormwater Infrastructure Improvements	200,000
Warren Ave Storm Drain - 517 Warren Ave to 659 Warren Ave	990,000
Franklin Street Storm Drain	300,000
Peaks Island Green Infrastructure	50,000
Green Infrastructure	200,000
Smart Cover Systems for SSO's	45,000
Pole Camera	20,000
PACTS Veranda St paving - ineligible Utility costs	18,000
Pavement Preservation Program - Utility costs	200,000
MPI Paving Program - Utility costs	13,750
Street Sweepers Replacement	215,000
Skidsteer w/ Attachments	75,000
Tracked Jet Cleaner	45,000
Midsized Wheel Loader	150,000
Rubber Tired Excavator	200,000
3/4T Pickup Truck	35,000
Tank Truck	25,000

Sewer / Stormwater Total	\$ 6,536,750
---------------------------------	---------------------

TOTAL CIP (General Fund & Sewer Fund)	\$ 24,340,500	\$ 2,624,960
--	----------------------	---------------------

COMBINED TOTAL CIP (General Fund & Sewer Fund)	\$ 26,965,460
---	----------------------