

Order 204-15/16

Passage: 9-0 on 4/25/2016

Effective 5/5/2016

ETHAN K. STRIMLING (MAYOR)  
BELINDA S. RAY (1)  
SPENCER R. THIBODEAU (2)  
EDWARD J. SUSLOVIC (3)  
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**CITY OF PORTLAND  
IN THE CITY COUNCIL**

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

**ORDER AUTHORIZING GENERAL OBLIGATION BONDS  
TO FINANCE A PORTION OF THE CITY'S 2017 CAPITAL IMPROVEMENT PROGRAM  
IN AN AMOUNT NOT TO EXCEED \$26,369,854 AND  
REALLOCATING \$778,191 FROM PRIOR CIP BONDS**

**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 Six Million Three Hundred Sixty-nine Thousand Eight Hundred Fifty-four Dollars (\$26,369,854) to finance the items identified in the City's Fiscal Year (FY) 2017 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:**

An amount not to exceed \$704,896 is reallocated from the unallocated balances of prior CIP bonds issued by the City to fund the City's FY05, FY09 and FY16 CIP to finance a portion of the costs of the City's FY17 CIP as follows, and the projects authorized by the orders authorizing said prior CIP bonds are amended and modified to include such Projects approved as part of the City's FY17 CIP:

Amount	From Project Code	From Description	To Description
\$50,885	C05U01	FY05 City Unallotted CIP Bond Proceeds	FY17 City Unallotted CIP
404,011	C09U01	FY09 City Unallotted CIP Bond Proceeds	FY17 City Unallotted CIP
250,000	C16U03	FY16 School Unallotted CIP Bond Proceeds	Reiche Ramp, New Entry, Roof
<b>\$704,896</b>			

**BE IT FURTHER ORDERED:**

An amount not to exceed \$73,295 is reallocated from the unallocated balance of prior CIP bonds issued by the City to fund the City's FY14 CIP to finance a portion of the costs of the following project authorized as part of the City's FY16 CIP as follows, and

**the projects authorized by the orders authorizing said prior CIP bonds are amended and modified to include such Projects approved as part of the City’s FY16 CIP (together with the projects described in the preceding paragraph, the “Reallocated Projects”):**

<b>Amount</b>	<b>From Project Code</b>	<b>From Description</b>	<b>To Description</b>
\$73,295	C14P08	Fitzpatrick Stadium Turf	Ice Arena Bleachers

**BE IT FURTHER ORDERED:**

1. That the Director of Finance 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 \$26,369,854 (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 or she may approve, such approval to be conclusively evidenced by the execution thereof;

2. That the Director of Finance 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 Director of Finance 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 Director of Finance 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 Director of Finance 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 Director of Finance, 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 Director of Finance such approval to be conclusively evidenced by his or her execution thereof;

6. That the Director of Finance be and hereby is authorized to select the underwriter for the Bonds or BANs heretofore authorized and the Director of Finance 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 Director of Finance 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 Director of Finance, 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 Director of Finance 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 or her 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 Director of Finance 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 Director of Finance 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 or her 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 Director of Finance 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 Director of Finance 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 Director of Finance 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 purchase price or acquisition cost of all or any portion of the Projects; (2) the cost of construction, building, alteration, enlargement, reconstruction, renovation, improvement, and equipping of the Projects; (3) the cost of all appurtenances and other facilities either on, above, or under the ground which are used or usable in connection with the Projects; (4) the cost of landscaping, site preparation and remodeling of any improvements or facilities; (5) the cost of all labor, materials, building systems, machinery and equipment; (6) the cost of land, structures, real property interests, rights, easements, and franchises acquired in connection with the Projects; (7) the cost of all utility extensions and site improvements and development; (8) the cost of planning, developing, preparation of specifications, surveys, engineering, feasibility studies, legal and other professional services associated with the Projects; (9) the cost of environmental studies and assessments; and (10) financing charges and issuance costs, including premiums for bond insurance, capitalized interest, underwriters' fees and costs, legal and accounting fees and costs, application fees, 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, or if the actual cost of any Reallocated Project differs from the estimated cost of such Reallocated Project as set forth herein, whether due to completion, delay or abandonment of the Project or Reallocated Project for any other reason, the Director of Finance is authorized, in his or her discretion to reallocate proceeds of the Bonds or to reallocate proceeds already reallocated herein to any other listed Project, to any other Reallocated 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 Director of Finance, 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 Director of Finance, 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 Director of Finance 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 Director of Finance 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 Director of Finance 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.

**FY17 CIP - General Fund**

**Transportation**

*PACTS/Match*

PACTS Regional Transportation Management Systems (RTMS) - Traffic Signals	\$ 222,000
PACTS Danforth St Paving	86,000

*Traffic Signals*

Traffic Signals at Various Locations	200,000
Traffic Signal Work in Support of Paving Programs	150,000

*Streets/Sidewalks*

Paving Preservation and Rehabilitation	2,900,000
Railroad Quiet Zone Improvements	800,000
Sidewalk Rehabilitation/Accessibility	500,000
Municipal Partnership Initiative (MPI) Paving Program	465,750
CSO Compliance - SRF Ineligibles	400,000
MaineDOT Arterial Paving Riverside St - utility system costs	102,000
Monument Square ADA Improvements	100,000
Thames Street Extension Engineering	50,000
One City Center - Shared cost sidewalk	28,000

<b>Transportation Total</b>	<b>\$ 6,003,750</b>
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**Facilities**

*Buildings/Garages*

Roof Deck at Spring Street Parking Garage - Phase II	\$ 700,000
Peaks Island Library	250,000
212 Canco Rd Fit-Out	200,000
Elevator Replacement - Police Department	200,000
Structural Repairs/Door Frame replacement - Hadlock	190,000
Public Safety Burner Replacement - Police Department	70,000
Passenger Elevator at City Hall	50,000
Fire Station Exhaust Removal System Upgrade	30,000

*Marine*

On going pile/pier work	170,000
POT - Pile engineering Survey	112,500
Compass Park Pier Stablization/Maine State Pier	200,000

*Schools*

Peaks Island - Boiler Replacement/EMS/Masonry	500,000
Lyman Moore - Paving Drainage	400,000
Reiche Ramp Removal + Engineering	800,000
Lincoln School - Masonry	250,000
PATHS Fire Alarm Replacement	200,000
CBHS - Engineering/ Construction for new entrance	50,000

<b>Facilities Total</b>	<b>\$ 4,372,500</b>
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**Open Spaces, Parks, Fields, Trails**

*Open Spaces, Parks, Fields, Trails*

Lincoln Park Walkways Repair	\$ 250,000
Lyman Moore Ballfields - Drainage Phase II	200,000
Amythyst Lot Master Plan	80,000

Golf Course Rehab	50,000
<b>Parks, Fields, Trails Total</b>	<b>\$ 580,000</b>
<b>Equipment and Vehicles</b>	
<i>Equipment</i>	
Parking Meters Replacement	\$ 131,250
Streetlights: LED Conversion	100,000
Virtualization, Storage and Redundancy Upgrade	75,000
Security Management System	35,000
<i>Vehicles</i>	
Food Service Truck - School Department	89,000
Police Cruisers (4) Replacement - Police	152,000
Medcu Ambulance Replacement - Fire	220,500
Used Pickups for Various City Departments	150,000
TA Dump Truck Replacement - Districting 3095	185,000
Arrest Vehicle Replacement - Police	76,500
Sidewalk Tractors Replacement	280,000
Refurbish 4 Plow Truck Bodies	160,000
Wheel Loader Replacement - Winter 5093	210,000
1 Ton Dump Truck Replacement - Districting 3084	60,000
1 Ton Dump Truck Replacement - Districting 3085	60,000
1 Ton Dump Truck Replacement - Barron Center 3914	60,000
1 Ton Truck Replacement - Playgrounds 3091	52,000
3/4 Ton Pickup Replacement - Districting 2184	35,000
Activities League Vehicle Replacement - Police	30,000
Medcu 15 Cliff Island	126,000
3/4 Ton Pickup Replacement - Districting 2185	35,000
TA Dump Truck Replacement - Winter 3094	185,000
3/4 Ton Pickup Replacement - Districting 2183	35,000
Wheel Loader Replacement - Public Services 5099	210,000
Tractor Replacement - Ballfields 7138	55,000
Patrol Supervisor Vehicle Replacement - Police	39,500
Replace box truck 4903 - School Maintenance	50,000
Litter Vac Replacement - PDD	75,000
Medcu 13 Great Diamond Island	126,000
<b>Equipment and Vehicles Total</b>	<b>\$ 3,097,750</b>
<b>Subtotal - FY17 CIP - General Fund (preliminary)</b>	<b>\$ 14,054,000</b>
<b>Less: Bayside TIF Funds</b>	<b>(400,000)</b>
<b>Less: Prior Year Reallocated CIP</b>	<b>(704,896)</b>
<b>Subtotal - FY17 CIP - General Fund (adjusted)</b>	<b>\$ 12,949,104</b>
Public Art Projects (0.50%)	65,000
Land Bank Projects (0.50%)	65,000
<b>Total - FY17 CIP - General Fund</b>	<b>\$ 13,079,104</b>



**FY17 CIP - Sewer Fund****Sewer / Stormwater**

CSO - Compliance - Madison / Walnut	\$ 1,000,000
CSO - Compliance - Marginal / Forest / State	4,200,000
CSO - Compliance - Deering Oaks	300,000
CSO - Compliance - Woodfords / Hershey	3,600,000
CSO Back Flow Prevention	25,000
CMOM - Sewer System Renewal	1,100,000
CMOM - Pump Station Rehabilitation	1,100,000
CMOM - Inflow and Infiltration Program	750,000
O&M Relocation to Outer Congress Street	230,000
Stormwater Infrastructure Failure Repairs	200,000
Rand Rd Culvert - Emery Waterhouse Driveway	90,000
PACTS Danforth St Paving	14,000
MaineDOT Arterial Paving Riverside St - sewer portion	41,000
Municipal Partnership Initiative (MPI) Paving Program	51,750
Street Sweepers Replacement	195,000
Refurbish Sewer Backhoe 5100	30,000
Catch Basin Cleaning Vehicle Replacement - Sewer 3127	100,000
Right of Way Clearing Machine - Water Resources - New	160,000
Replace Van Water Resources Engineers -0919	26,000
1 Ton Crew Cab Pickup Replacement - Sewer 2511	40,000
3/4 Ton Extended Cab Pickup Replacement - Sewer 2513	38,000
<b>Sewer / Stormwater Total</b>	<b>\$ 13,290,750</b>
<b>Total - FY17 CIP - Sewer Fund</b>	<b>\$ 13,290,750</b>
<b>TOTAL CIP (General Fund &amp; Sewer Fund) FINANCED</b>	<b>\$ 26,369,854</b>