

**SPECIAL MEETING MINUTES
City Council of the City of Bath, Maine
Wednesday, March 19, 2014
Second Floor Conference Room
Bath City Hall**

Present: Councilors Brackett, Merrill, Lockwood, Wyman, Sinclair, Mitchell, Winglass and Madame Chair Eosco

Excused: Councilor Paulhus

Also in attendance were the City Manager – William Giroux, City Solicitor - Roger Therriault and City Clerk - Mary White.

**I. Public Works, Cemeteries and Parks and Waste Water Departments Contract (First Passage)
6:00 PM**

Madame Chair Eosco read the following Ordinance:

**ORDINANCE
APPROVING CONTRACT**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BATH THAT, PURSUANT TO THE REQUIREMENTS OF §1102 OF THE CHARTER OF THE CITY OF BATH, A BARGAINING AGREEMENT BY AND BETWEEN THE CITY OF BATH AND THE BATH PUBLIC WORKS EMPLOYEES, BATH CEMETERIES AND PARKS DEPARTMENT EMPLOYEES, AND THE BATH WATER POLLUTION CONTROL FACILITY EMPLOYEES, LOCAL NO. S-89 OF DL-4 THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, IAMAW, AFL-CIO, COMMENCING JULY 1, 2013 AND EXTENDING THROUGH JUNE 30, 2016, A COPY OF WHICH IS ATTACHED HERETO, BE AND HEREBY IS APPROVED, AND THE CITY MANAGER IS AUTHORIZED TO EXECUTE SAID CONTRACT ON BEHALF OF THE CITY OF BATH.

Councilor Wyman made a motion to put the item on the floor for discussion. Councilor Sinclair seconded the motion.

City Manager Giroux explained that this contract had been negotiated in the same manner as the previously passed Police Department Contract.

ROLL CALL VOTE:

YEAS: Brackett, Merrill, Lockwood, Wyman, Sinclair, Mitchell, Winglass

NAYS: None

Ordinance passed Unanimous. 7-0

Madame Chair Eosco set second passage of this Ordinance for April 2, 2014 at 6:02 PM.

II. BOND ORDINANCE – Authorizing Issuance of up to \$1,956,000 of General Obligation Bonds for the Purpose of Refunding Outstanding Debt of the City (First Passage) 6:07 PM

Madame Chair Eosco read the following Ordinance:

**BOND ORDINANCE
AUTHORIZING ISSUANCE OF UP TO \$1,956,000 OF
GENERAL OBLIGATION REFUNDING BONDS
FOR THE PURPOSE OF REFUNDING OUTSTANDING DEBT OF THE CITY.**

RECITALS

WHEREAS, the City of Bath has previously issued its 2002 General Obligation Bonds in the original principal amount of \$4,000,000 to finance, among other projects, the costs of the Recreation Facilities project, the Landfill project and certain Street and Road projects (the “2002 Bonds”); and

WHEREAS, in 2010 and 2012, the City of Bath issued entered into two borrowings and issued promissory notes therefore (the “Prior Notes”) to finance the costs to purchase and renovate the Bath Armory (the “Prior Notes” and together with the 2002 Bonds, the “Prior Obligations”); and

WHEREAS, due to a drop in interest rates since the Prior Obligations were issued, the City desires to refund and refinance the outstanding principal the Prior Obligations through issuance of its general obligation refunding bonds;

NOW THEREFORE, IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF BATH, AS FOLLOWS:

- Section 1. That a sum up to, but not to exceed, \$1,956,000, plus the sale premium of the bonds/notes authorized in Section 2 below, is hereby appropriated for the purpose of refunding the Prior Obligations and of paying interest and redemption premium thereon and the costs of issuance therefore.
- Section 2. That, for the purpose of funding the aforesaid appropriation, the City Treasurer, with the approval of the Chairman of the City Council and the City Manager, is hereby authorized, in the name of and on behalf of the City, to issue the City’s bonds/notes, in the stated principal amount of up to, but not to exceed, \$1,956,000 under and pursuant to the City Charter and 30-A MRSA §5772.
- Section 3. That any and all bonds/notes issued pursuant to this Ordinance are issued pursuant to Chapter 8 of the City Charter and shall be signed by the City Treasurer and countersigned by the Chairman of the City Council and the City Manager.
- Section 4. That any and all bonds/notes issued pursuant to this Ordinance shall be payable in annual installments, which need not be equal, pursuant to Section 807 of the City Charter.
- Section 5. That the term of any bonds/notes issued pursuant to this Ordinance shall not exceed ten (10) years.
- Section 6. That the City Treasurer, with the approval of the Chairman of the City Council and the City Manager, shall determine the date or dates, maturities (not to exceed the maximum term specified above), denominations, interest rate or rates and any other details of any bonds/notes to be issued pursuant to this Ordinance, such approval to be conclusively evidenced by the execution thereof.
- Section 7. The City Treasurer, with the approval of the Chairman of the City Council and the City Manager, is hereby authorized to make any bonds/notes issued pursuant to this Ordinance subject to call for redemption with or without premium prior to the stated maturity date at the election of the City.
- Section 8. That the City Treasurer is hereby authorized to take all such action as may be necessary to designate some or all of the bonds/notes issued pursuant to this Ordinance (to the extent such

designation is available) as qualified tax-exempt obligations for purposes of Section 265(b) of the Code.

- Section 9. That the proceeds of any bonds/notes issued pursuant to this Ordinance shall be used only for those purposes specified in Section 1 above and any proceeds not used for such purposes shall be applied to repayment of the principal and/or interest of such bonds/notes.
- Section 10. That the bonds/notes issued pursuant to this Ordinance shall be general obligations of the City, backed by the full faith and credit and taxing power of the City.
- Section 11. That the City Treasurer is authorized to do or cause to be done all such acts and things, and to execute and deliver any and all contracts, agreements, certificates, and other documents as may be necessary or advisable, including but not limited to an Arbitrage and Use of Proceeds Certificate and a Continuing Disclosure Certificate, to carry out the provisions of this Ordinance in connection with the refunding of the Prior Obligations and the issuance and delivery by the City of the bonds/notes.
- Section 12. That if the City Treasurer, Chairman of the City Council, the City Manager, or Clerk are for any reason unavailable to approve and execute the bonds/notes or any related financing documents, as authorized by this Ordinance, the person or persons then acting in 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 himself or herself performed such act.
- Section 13. That any suit questioning the validity of this Ordinance shall be barred unless commenced within forty-five (45) days following publication of the Ordinance in accordance with Section 805 of the City Charter.

Councilor Wyman put the item on the floor for discussion. Councilor Lockwood seconded the motion.

Finance Director Millett explained that the City would be combining some old bonds with the one passed at the election in November 2013 to attain a lower interest rate. She estimated the rate would be around 2% on the refinancing.

Councilor Sinclair made a motion to strike the first “issued” in the second paragraph of the Bond Ordinance. Councilor Winglass seconded the motion.

ROLL CALL VOTE AMENDMENT:

YEAS: Winglass, Mitchell, Sinclair, Wyman, Lockwood, Merrill, Brackett

NAYS: None

Ordinance passed Unanimous. 7-0

Councilor Sinclair made a motion to replace all instances of the word “Chairman” in the Bond Ordinance with the word “Chair”. Councilor Mitchell seconded the motion.

ROLL CALL VOTE AMENDMENT:

YEAS: Brackett, Lockwood, Wyman, Sinclair, Mitchell, Winglass

NAYS: None

ABSTAINION: Merrill

Ordinance passed. 6-0-1

ROLL CALL VOTE on Amended Ordinance:

YEAS: Winglass, Mitchell, Sinclair, Wyman, Lockwood, Merrill, Brackett

NAYS: None

Ordinance passed Unanimous. 7-0

Madame Chair Eosco set second passage of this Ordinance for April 2, 2014 at 6:03 PM.

Councilor Mitchell made a motion at 6:22 PM to go into Executive Session to discuss a poverty abatement per 36 M.R.S.A Section 851(2), Councilor Wyman seconded the motion. All were in favor of the motion.

Councilor Wyman made a motion at 6:36 PM to come out of Executive Session. Councilor Lockwood seconded the motion. All were in favor of the motion.

Councilor Sinclair made a motion to deny abatement for all 3 years. Councilor Mitchell seconded the motion.

VOTE ON ABATEMENT MOTION:

YEAS: Brackett, Lockwood, Wyman, Sinclair, Mitchell, Winglass

NAYS: Merrill

Denial of Abatement passed. 6-1

The meeting adjourned to Workshop at 7:04 PM to discuss the consumption of alcohol in City Parks/Facilities during events with a motion from Councilor Wyman. Councilor Mitchell seconded the motion. All were in favor of the motion to adjourn.

Attest:

Mary J. White, City Clerk

Please note: These minutes are not recorded verbatim. An audio tape recording of the meeting is available for review in the City Clerk's Office during regular business hours.