

SPECIAL MEETING MINUTES
City Council of the City of Bath, Maine
Wednesday, May 20, 2015
Followed the Public Budget Hearing
Bath City Hall Auditorium

Councilors Present: Brackett, Page, Paulhus, Rogers, Wyman, Bauer, Mitchell, Omo and Madame Chair Eosco

Also in attendance were the City Manager William Giroux, Acting City Solicitor Michael Therriault and City Clerk Mary White.

I. Order: To prepare and post warrant for Regional School Unit #1 Budget Validation Election to be held on June 9, 2015. (6:13 PM)

Madame Chair read the following Order:

ORDER

In City Council
May 20, 2015

BE IT ORDERED BY THE CITY COUNCIL OF THE CITY OF BATH, THAT:

Warrants be prepared and issued to notify and summons the inhabitants of the City of Bath, qualified to vote, that the Regional School Unit #1 Budget Election will be held at their respective Districts 1-7 inclusive, on the Tuesday following the second Monday of June, the same being the 9th day of said month, in the Year of our Lord Two Thousand Fifteen, at 8' O'clock in the forenoon, then and there, to cast their votes for the following question:

Question 1: Do you favor approving the Regional School Unit #1 budget for the upcoming school year that was adopted at the latest Regional School Unit budget meeting?

and, be it further ordered, that said polls are to be kept open until eight o'clock in the afternoon of said day and then be closed.

Councilor Omo made a motion to put this Order on the floor for discussion. Councilor Wyman seconded the motion.

There were no Council or Public comments.

VOTE:

YEAS: 8

NAYS: 0

Order passed unanimously. 8-0

II. Bond Ordinance: Authorizing issuance of a General Obligation Bond in the amount not to exceed \$640,500 for the purpose of funding certain vehicles, equipment and other public facility improvements. (First Passage) (6:15 PM)

Madame Chair Eosco read through Section 1.

Councilor Omo made a motion to waive the reading of the Ordinance and Councilor Wyman seconded the motion.

VOTE on Waiving Motion:

YEAS: 7

NAYS: 1 (Rogers)

Motion passed. 7-1

BOND ORDINANCE

AUTHORIZING ISSUANCE OF GENERAL OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED \$640,500 FOR THE PURPOSE OF FUNDING CERTAIN VEHICLES, EQUIPMENT AND OTHER PUBLIC FACILITY IMPROVEMENTS

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

Section 1. That a sum of up to, but not to exceed, \$640,500, plus the sale premium of and investment earnings on the bonds/notes authorized in Section 2 below, is hereby appropriated for the purpose of funding the following projects, including issuance costs therefore:

- IT – Management - Servers
- Armory Roof
- Cemeteries - Truck and Trailer
- Cemeteries - Vault Roof
- Police Vehicle
- Public Works Truck Replacement
- Police and Fire Boat
- Firehouse Floor
- City Hall Roof
- Snowblower
- Track and Tennis Court Resurfacing

Section 2. That, for the purpose of funding the aforesaid appropriation, the City Treasurer, with the approval of the Chair 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 or notes in anticipation thereof, in the stated principal amount of up to, but not to exceed, \$640,500 under and pursuant the City Charter and Title 30-A, Section §5772 of the Maine Revised Statutes.

Section 3. That any and all bonds/notes or notes in anticipation thereof 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 Chair 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, the total amount of which shall extinguish the entire debt at maturity pursuant to the requirements of 30-A M.R.S.A. Section 5772(3), 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 eleven (11) years.

Section 6. That the City Treasurer, with the approval of the Chair 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 or any notes in anticipation thereof to be issued pursuant to this Ordinance, such approval to be conclusively evidenced by the execution thereof.

- Section 7.** That the City Treasurer, with the approval of the Chair of the City Council and the City Manager, is hereby authorized to make any bonds/notes or notes in anticipation thereof issued pursuant to this Ordinance subject to prepayment and 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 any bonds/notes or notes in anticipation thereof 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 bonds/notes or notes in anticipation thereof 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 10.** That in the event the City Treasurer elects to issue such bonds/notes or notes in anticipation thereof through the Maine Municipal Bond Bank (the “Bond Bank”), that the City Treasurer and the Chair of the City Council and the City Manager be and hereby are authorized, on behalf of the City, to enter into a loan agreement with the Bond Bank in conjunction with the issuance of the bonds or notes, in the aggregate principal amount not to exceed \$640,500 with a term not to exceed the term of the bonds or notes, said loan agreement to be in the usual and ordinary form utilized by the Bond Bank in connection with its General Resolution Program, which is hereby approved, and to contain such other terms and provisions, not contrary to the general tenor hereof, as the Treasurer, the Chair of the City Council and the City Manager may approve, their approval to be conclusively evidenced by the execution thereof.
- 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 issuance and delivery by the City of the bonds/notes or notes in anticipation thereof.
- Section 12.** That if the City Treasurer, Chair of the City Council, City Manager, or Clerk are for any reason unavailable to approve and execute the bonds/notes or notes in anticipation thereof issued pursuant to this Ordinance, any loan agreement or any related financing documents, 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 himself or herself performed such act.
- Section 13.** That during the term any of the bonds authorized hereby are outstanding, the City Treasurer is hereby authorized, in the name and on behalf of the City, to issue and deliver refunding bonds on either a current or advance refunding basis, to refund some or all of the bonds then outstanding, and to determine the date, form, interest rate, maturities (not to exceed 10 years from the date of issuance of the original bonds) and all other details of such refunding bonds, including the form and manner of their sale and award. The City Treasurer is hereby 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 City Treasurer and countersigned by the Chair of the City Council and the City Manager, sealed with the seal of the City, and attested by its Clerk.
- Section 14.** 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 made a motion to put this Ordinance on the floor for discussion. Councilor Mitchell seconded the motion.

City Manager Giroux stated that this Bond Ordinance was a result of Budget Workshop deliberations. He also explained that because of the extra costs to resurface the track, it was being suggested to amend the amount of the Bond Ordinance to \$715,500 but to keep the term of the bond to 10 years.

Councilor Paulhus made a motion to change the amount of the Bond from \$640,500 to \$715,500. Councilor Page seconded the motion.

ROLL CALL VOTE AMENDMENT:

YEAS: Brackett, Page, Paulhus, Rogers, Wyman, Bauer, Mitchell, Omo

NAYS: None

Amendment passed unanimously. 8-0

ROLL CALL VOTE on Amended Bond Ordinance:

YEAS: Omo, Mitchell, Bauer, Wyman, Rogers, Paulhus, Page, Brackett

NAYS: None

Amended Ordinance passed unanimously. 8-0

Madame Chair Eosco set second passage of this Ordinance for June 3, 2015 at 6:02 PM.

III. Ordinance: Supplemental Appropriation in the amount of \$209,000.00. (First Passage) (6:27 PM)

Madame Chair Eosco read the following Ordinance:

**ORDINANCE
SUPPLEMENTAL APPROPRIATION**

WHEREAS, the City Council desires to set aside additional funds for unanticipated expenditures; and

WHEREAS, surplus funds in the General Fund Undesignated Fund Balance Account, constituting revenue in excess of those estimated in the Budget for the current fiscal year, are available for this purpose; and

WHEREAS, the sum proposed to be appropriated by this Supplemental Appropriation, totaling Two Hundred Nine Thousand Dollars (\$209,000.00), will not exceed the expenditure limits for the current fiscal year pursuant to Section 617 of the Charter of the City of Bath;

NOW THEREFORE, be it ordained by the City Council of the City of Bath that the total sum of Two Hundred Nine Thousand Dollars (\$209,000.00) be and hereby is supplementally appropriated from the General Fund Undesignated Fund Balance (Account 01-2500-00) to the Council Contingency Account (Account 01-0012-402).

Councilor Wyman made a motion to put this Ordinance on the floor for discussion. Councilor Paulhus seconded the motion.

City Manager Giroux explained this was an annual appropriation to keep the City Budget within the Expenditure Limitation Cap. He stated that not too long into the future there would be no more money under the cap and the Council then would have to go to referendum to raise the money for the budget or make the City run on a very tight budget.

ROLL CALL VOTE:

YEAS: Brackett, Page, Paulhus, Wyman, Bauer, Mitchell, Omo

NAYS: Rogers

Ordinance passed. 7-1

Madame Chair Eosco set second passage of this Ordinance for June 3, 2015 at 6:03PM.

The meeting adjourned at 6:33 PM with a motion from Councilor Wyman and a second from Councilor Paulhus. 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 recording of the meeting is available for review in the City Clerk's Office during regular business hours.