

**SPECIAL MEETING MINUTES
City Council of the City of Bath, Maine
Wednesday, May 16, 2018
Followed the Public Budget Hearing
Bath City Hall Auditorium**

Councilors Present: Bailey, Paulhus, Nordmann, Wyman, Comeau, Bauer, Park, Ambrosino and Madame Chair Eosco

Also in attendance were the City Manager Peter Owen and City Clerk Mary White.

Madame Chair Eosco led the Pledge of Allegiance and City Clerk White called the Roll.

I. Order: To prepare and post Notice of Election for the State of Maine Primary/Referendum Election to be held on June 12, 2018. (6:05 PM)

Madame Chair Eosco read the following Order:

ORDER

In City Council
May 16, 2018

BE IT HEREBY ORDERED BY THE CITY COUNCIL, AS FOLLOWS:

That, the Notice of State of Maine Primary/Referendum Election be prepared and issued to notify and summons the inhabitants of the City of Bath, qualified to vote, that the State of Maine Primary/Referendum Election will be held at their respective Wards 1-7 inclusive, on Tuesday, June 12, 2018 for the purpose of determining the following questions:

To determine:

Candidates in the Republican and Democratic Parties

STATE OFFICES:

United States Senator
Governor
Representative to Congress: District 1
State Senate - District 23
State Representative to the Legislature - District 52

COUNTY OFFICES:

County Treasurer
Registrar of Deeds
County Commission – District 2
District Attorney

Question 1: Peoples Veto – An Act To Implement Ranked-choice Voting in 2021

Absentee Ballots shall be processed on June 11, 2018 starting at 9am and continuing until all ballots received at that time have been processed and on Election Day starting at 8:00pm.

The polls shall be opened at 8:00am and closed at 8:00pm.

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

There were no Council or Public comments.

VOTE:

YEAS: 8

NAYS: 0

Order passed unanimously. 8-0

II. Order: To prepare and post warrant for Regional School Unit #1 Budget Validation Election to be held on June 12, 2018. (6:07 PM)

Madame Chair read the following Order:

ORDER

In City Council
May 16, 2018

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 on the Tuesday following the second Monday of June, the same being the 12th day of said month, in the Year of our Lord Two Thousand Eighteen, 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 that includes locally raised funds that exceed the required local contribution as described in the Essential Programs and Services Funding Act?

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

There were no Council or Public comments.

VOTE:

YEAS: 8

NAYS: 0

Order passed unanimously. 8-0

III. Order: Appointing Warden and Ward Clerk for the State Primary/Referendum Election to be held on June 12, 2018. (6:10 PM)

Madame Chair Eosco read the following Order:

ORDER

Be It Ordered by the City Council of the City of Bath,

that the following Warden and Ward Clerk be appointed for the State of Maine Primary/Referendum Election to be held on Tuesday, June 12, 2018:

State Warden

Darlene Compton

State Ward Clerk

Mary Arsenault

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

There were no Council or Public comments.

VOTE:

YEAS: 8

NAYS: 0

Order passed unanimously. 8-0

IV. Order: To set Registrar's Hours for the State Referendum and RSU #1 Elections to be held on June 12, 2018. (6:10 PM)

Madame Chair Eosco read the following Order:

ORDER

Be It Ordered by the City Council of the City of Bath, that the hourly schedule for the office of the Registrar of Voters shall be from 8:30am to 4:30pm Monday through Friday prior to the State of Maine Primary/Referendum Election and RSU #1 Validation Budget Election to be held Tuesday, June 12, 2018 except for Tuesday, June 5, 2018 from 5:00pm to 7:00pm at the City Clerk's Office, 55 Front Street.

Voters may register on the Day of the Election from 8:00AM to 8:00PM at the polls at the Bath Middle School, 6 Old Brunswick Road.

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

There were no Council or Public comments.

VOTE:

YEAS: 8

NAYS: 0

Order passed unanimously. 8-0

V. BOND ORDINANCE: Authorizing Issuance of \$1,000,000 of General Obligation Bonds to Finance Wastewater Infrastructure Improvements. (first passage)(6:12 PM)

Councilor Paulhus made a motion to waive the reading of the Bond Ordinance. Councilor Bailey seconded the motion. All were in favor of the waiving motion.

BOND ORDINANCE

AUTHORIZING ISSUANCE OF \$1,000,000 OF GENERAL OBLIGATION BONDS TO FINANCE WASTEWATER INFRASTRUCTURE IMPROVEMENTS

RECITALS

WHEREAS, by an approving referendum vote on November 3, 2015, the City of Bath authorized \$9,800,000 of general obligation bonds (the “Original Bonds”) to finance the following wastewater infrastructure improvements (the “Projects”):

- Water Pollution Control Facility Improvements and Upgrades, including but not limited to dewatering, aeration and structural work upgrades;
- Combined Sewer Overflow Abatement Improvements and Upgrades;
- Pump Station Improvements and Upgrades; and

WHEREAS, the cost of the Projects has increased and now exceeds the costs anticipated when the Original Bonds were approved; and

WHEREAS, the City Council desires to authorize \$1,000,000 of additional bonds for the Projects and to authorize a longer maturity for the Original 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, \$1,000,000, plus the sale premium of the bonds/notes authorized in Section 2 below, is hereby appropriated for the purpose of financing additional costs of the Projects.
- 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 and notes in anticipation thereof, in the stated principal amount of up to, but not to exceed, \$1,000,000 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 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, pursuant to Section 807 of the City Charter.
- Section 5. That the term of any bonds/notes issued pursuant to this Ordinance, and the term of the Original Bonds, shall not exceed the maximum term permitted by Section 807 of the City Charter.
- 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 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 Chair 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 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 9. 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 10. That if the actual cost of any of the Projects differs from the estimated cost, the City Treasurer is authorized, in her discretion to reallocate proceeds of the Bonds to any other of the listed Projects.
- Section 11. 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 12. 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 and the financing of the Projects.
- Section 13. That if the City Treasurer, Chair 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 14. That in the event the City Treasurer elects to issue such bonds/notes to or 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 \$1,000,000 with a term not to exceed the term of the bonds/ notes, said loan agreement to be in the usual and ordinary form utilized by the Bond Bank in connection with its General Resolution Program or the State Revolving Loan Fund Program, which is hereby approved, and to contain such other terms and provisions, not contrary to the general tenor hereof, as the City Treasurer, the Chair of the City Council and the City Manager may approve, their approval to be conclusively evidenced by the execution thereof.
- Section 15. That the following provisions 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:
- (1) 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.
 - (2) That the Project Account shall be maintained in accordance with standards set forth by the Maine Municipal Bond Bank and in accordance with generally accepted government account standards.
 - (3) That a final accounting shall be made to the Bond Bank of the total cost of the Projects upon completion of the Projects 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 Projects as built.
 - (4) 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.

(5) 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.

(6) 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.

(7) 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.

(8) 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.

(9) That the City must demonstrate the ability to pay reasonably anticipated costs of operating and maintaining the financed Projects.

(10) That the City abide by the SRF Regulations, as revised and amended and relevant State statutes of the State of Maine.

Section 16. 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 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 17. That this Ordinance shall become effective twenty-one (21) days after its publication and posting in accordance with Section 805 of the City Charter.

Section 18. 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 Paulhus made a motion to put this Ordinance on the floor for discussion. Councilor Bauer seconded the motion.

City Finance Director Juli Millett explained the \$1,000,000 would be borrowed through State Revolving Fund as they have granted principal forgiveness on the Bond, therefore the City would not have to pay the Bond back.

ROLL CALL VOTE:

YEAS: Bailey, Paulhus, Nordmann, Wyman, Comeau, Bauer, Park, Ambrosino

NAYS: None

Ordinance passed. 8-0

Madame Chair Eosco set second passage of this Ordinance for June 6, 2018 at 6:01 PM.

VI. BOND ORDINANCE: Authorizing up to \$283,000 of the City's General Obligation Bonds to Finance the Acquisition of Vehicles and Equipment. (first passage)

Councilor Bauer made a motion to waive the reading of the Bond Ordinance. Councilor Wyman seconded the motion. All were in favor of the waiving motion.

BOND ORDINANCE

AUTHORIZING UP TO \$283,000 OF THE CITY'S GENERAL OBLIGATION BONDS TO FINANCE THE ACQUISITION OF VEHICLES AND EQUIPMENT

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, \$283,000, plus the sale premium of and investment earnings on the bonds authorized in Section 2 below, is hereby appropriated for the purpose of funding the following projects, including issuance costs therefore:

- Police Animal Control Used Van
- PPE Extractor Washer/ Dryer (Fire)
- Police Vehicle
- Forestry - 1 ton Truck with Dump
- PW Loader Replacement with Forks

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 or notes in anticipation thereof, in the stated principal amount of up to, but not to exceed, \$283,000 under and pursuant the City Charter and Title 30-A, Section §5772 of the Maine Revised Statutes.

Section 3. That any and all bonds 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 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 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 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 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 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 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 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 \$283,000 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 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 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 11 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 Paulhus made a motion to put this Ordinance on the floor for discussion. Councilor Bauer seconded the motion.

City Finance Director Juli Millet explained these are capital items that will come up for final approval when the budget is approved at the June 6th Council Meeting but since it requires two votes, it is brought up for first approval at this meeting.

ROLL CALL VOTE:

YEAS: Ambrosino, Park, Bauer, Comeau, Wyman, Nordmann, Paulhus, Bailey

NAYS: None

Ordinance passed. 8-0

Madame Chair Eosco set second passage of this Ordinance for June 6, 2018 at 6:02 PM.

VII. Ordinance: Supplemental Appropriation in the amount of \$165,000.00 (first passage) (6:19 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 One Hundred Sixty-Five Thousand Dollars (\$165,000.00), 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 One Hundred Sixty-Five Thousand Dollars (\$165,000.00), 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 Paulhus made a motion to put this Ordinance on the floor for discussion. Councilor Bauer seconded the motion.

City Finance Director Juli Millet explained this appropriation had been done for a number of years to keep the City Budget within the Expenditure Limitation Cap.

ROLL CALL VOTE:

YEAS: Bailey, Paulhus, Nordmann, Wyman, Comeau, Bauer, Park, Ambrosino

NAYS: None

Ordinance passed. 8-0

Madame Chair Eosco set second passage of this Ordinance for June 6, 2018 at 6:03 PM.

The meeting adjourned at 6:23 PM with a motion by Councilor Wyman, seconded by Councilor Bauer. All were in favor of the adjournment.

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.