

FINANCE COMMITTEE AGENDA

August 1, 2016 @ 5:15 pm

1. Consent Agenda

- a. Update on Used Vehicle Purchase
- b. Council Resolve 16-288, Accepting and Appropriating a \$102,627 grant from Maine Department of Health and Human Services to Support an In-home Asthma Education Program

2. Bids/Purchasing

- a. Request to Waive Bid Process – Electronic Control Devices – Police – Taser International - \$14,823

3. Authorization to Use Airport Reserve Funds to Relocate Deicing Operations and Appropriate Proceeds from Sale of Aircraft Parts to Reimburse the Reserve Funds

4. Council Order 16-284, Authorizing Issuance of \$1,000,000 of General Obligation Bonds (School)

5. Council Order 16-285, Authorizing Issuance of \$7,003,000 of General Obligation Bonds (FY 17 Budget)

6. Recommendation to Take Possession of Property

7. Order, Authorizing the City Manager to apply for funds in the amount of \$125,000 from the State of Maine Department of Public Safety to employ a case manager to assist persons with substance use disorder



481 MAINE AVE.
BANGOR, MAINE 04401
TEL: 207/992-4662

PUBLIC SERVICES DEPARTMENT – POLICE DEPARTMENT
Eric J. Willett, Equipment Manager

To: Finance Committee
From: Eric Willett
Subject: Update on Purchase of Used Vehicles
Date: July 14, 2016

In the proposed FY 17 budget \$54,000 was appropriated to purchase 3 used vehicles for the Police Department (2 service vehicles and 1 detective vehicle).

Staff contacted 4 local dealers for quotes. Based on the response, staff purchased 3- 2016 Ford fusions, all with relatively low mileage and the remainder of factory warranties from Quirk Chevrolet in the amount of \$46,352.

This purchase will allow us to replace a 2006 Ford Taurus with 122,000 miles, a 2004 Ford Taurus with over 132,000 miles, and a 2007 Ford Taurus with over 126,000 miles on it, all of which have rust issues and are starting to fail mechanically.

COUNCIL ACTION

Item No. 16- 288

Date: July 25, 2016

Item/Subject: Resolve, Accepting and Appropriating a \$102,627 Grant from the Maine Department of Health & Human Services to support an In Home Asthma Education Program.

Responsible Department: Public Health & Community Services

Commentary: This resolve will accept and appropriate \$102,627 from the Maine Department of Health and Human Services (DHHS), Center for Disease Control and Prevention (CDC) for Asthma Home Visiting and Educational Services. The term is September 1, 2016 to August 31, 2017. This is the second year of a five-year grant that is expected to continue until August 31, 2020.

The program provides direct services to patients with poorly controlled asthma in the home environment with a focus on education about asthma management. This includes identifying asthma triggers in the home environment and providing suggestions to mitigate exposure. The program is expected to decrease direct health care costs associated with asthma by preventing hospitalizations and emergency/urgent care visits; and to reduce the number of lost work days for adults and lost education days for children.

The program serves persons of all ages in the communities of Bangor, Bradley, Brewer, Carmel, Clifton, Dedham, Eddington, Frankfort, Glenburn, Hampden, Hermon, Holden, Indian Island, Kenduskeag, Levant, Milford, Newburg, Old Town, Orono, Orrington, Veazie, and Winterport. This item will be reviewed at the August 1 meeting of the Government Operations Committee.

Department Head

Manager's Comments:

City Manager

Associated Information: Resolve

Budget Approval:

Finance Director

Legal Approval:

City Solicitor

Introduced for

Passage

First Reading

Referral to Gov't Operations—8-1-16

Assigned to Councilor Sprague



CITY OF BANGOR

(TITLE.) Resolve, Accepting and Appropriating a \$102,627 grant from the Maine Department of Health and Human Services to Support an In-Home Asthma Education Program

BY THE CITY COUNCIL OF THE CITY OF BANGOR:

BE IT RESOLVED, that a Grant in the amount of \$102,627 grant from the ME DHHS, Center for Disease Control and Prevention (CDC) for Asthma Home Visiting and Educational Services is hereby accepted and appropriated for the period September 1, 2016 to August 31, 2017.



BANGOR POLICE DEPARTMENT

240 Main Street
Bangor, Maine 04401
207-947-7382
Fax 207-945-6824

TO: Finance Committee

FR: Mark Hathaway

RE: Request to Waive Bid Process - Electronic Control Device

DT: July 26, 2016

The police department began utilizing electronic control devices (ECD) in 2003 as a non-lethal option of addressing volatile or potentially volatile situations. The current models in use are now outdated and no longer supported by the manufacturer. We are unable to obtain parts or complete repairs. At the moment nearly half of our units are no longer in service.

We are seeking permission to purchase eleven current generation models. The new units will require a retraining of all officers. We are fortunate to have two officers on staff who are certified to provide the training.

Our current models are manufactured by Taser International of Arizona. Taser is the most commonly used ECD in the industry and is the only model/brand in use by police departments across the state.

We are requesting to waive the bid process and purchase our new units from the manufacturer. The cost of eleven units, holsters and training modules is \$14,823.09. Funding for this purchased was included in the recently approved Byrne Grant in the amount of \$13,948, the balance of \$875 would be paid from the police department equipment budget.

We would appreciate your consideration.

Thank you



MEMORANDUM

To: Finance Committee

From: Tony Caruso, Airport Director

CC: Cathy Conlow, City Manager
Debbie Cyr, Finance Director
James Canders, Assistant Airport Director
Robbie Beaton, Superintendent of Airport Operations

Re: Authorization to use airport reserve funds and appropriate the proceeds from the sale of aircraft parts to reimburse the reserve account

Date: July 25, 2016

The airport is in the process of moving personnel and equipment to accommodate C&L Aero's recent leasing of the additional hangar to support their latest expansion. Originally, the airport was working in phases to relocate the aircraft deice fluid tanks and equipment, and budget accordingly with minimal disruption to C&L and to our winter operations. However, through recent developments, the site determined to relocate the tanks and equipment has become available now. By relocating the tanks and equipment now, the airport will save time and resources, and will be operational prior to our winter season. The scope of work needed to relocate the tanks/equipment and make modifications to an existing facility includes installing a heat system, installing overheads doors, running a water line, electrical upgrades and general building modifications.

The airport is requesting authorization to use airport reserve funds in the amount of \$150,000 for the work needed to relocate aircraft deice fluid tanks and related equipment and make modifications to an existing facility. The airport is in possession of aircraft parts and equipment, left and abandoned from airlines that are not currently in business. The airport intends to sell this equipment and use the proceeds to reimburse the reserve fund.

Therefore, the airport is requesting authorization to issue a bid for the work necessary for the relocation of tanks and equipment and building modifications. Further, authorization is requested to use airport reserve funds to fund this project, and appropriate the proceeds from the sale of the aircraft parts to reimburse the reserve account.

The Airport respectfully submits this request for Finance Committee review and recommends approval.

COUNCIL ACTION

Item No. 16-284

Date: July 25, 2016

Item/Subject: Order, Amending Order #13-157 and Authorizing Issuance of \$1,000,000 of the City's General Obligation Bonds for School Building Improvements and for Additional Cameron Stadium Improvements and a Tax Levy There For

Responsible Department: Finance

Commentary: The attached Order would authorize the issuance of \$1,000,000 in general obligation bonds for the following purposes: \$668,000 for Cameron Stadium Improvements and \$332,000 for school building improvements.

In May 2013, Council Order 13-157 authorized the issuance of \$1.2 million in general obligation bonds for improvements at Cameron Stadium. At that time, the School Department presented an initial plan to significantly improve the facilities at Cameron Stadium. The plan included replacement of the bleachers, lighting system, new locker rooms and restrooms and equipment storage, expansion of the track and the installation of turf. The bond proceeds were used to replace the bleachers, lighting and construct restroom facilities.

The City's Charter requires that the issuance of general obligation bonds for a single capital improvement be approved by voters if it exceeds a certain dollar threshold and does not meet one of the defined exceptions. Both the bleachers and lighting portions of the project were deemed a life safety issue that needed to be addressed as an emergency. The bleachers were unsafe and likely to be put out of service and the lighting system was a hazard to participants and patrons alike. As there was no plan to issue additional bonds for this project, the bond order did not include the specific language citing the findings in support of the exception. Therefore, this Order would also amend Council Order 13-157 to state the emergency nature of the bonds for the bleacher and lighting upgrades.

These projects were discussed during the recently completed FY 2017 budget process. In addition, this Order will require a Public Hearing at the August 8th City Council Meeting

Department Head

Manager's Comments:

City Manager

Associated Information:

Order

Budget Approval:

Finance Director

Legal Approval:

City Solicitor

Introduced for

Passage

First Reading

Referral – Finance Committee of 8/1/16

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Assigned to Councilor Perry



CITY OF BANGOR

(TITLE.) Order, Amending Order #13-157 and Authorizing Issuance of \$1,000,000 of the City's General Obligation Bonds for School Building Improvements and for Additional Cameron Stadium Improvements and a Tax Levy There For.

WHEREAS, on May 29, 2013, the Bangor City Council adopted Order #13-157 authorizing the issuance of the City's general obligation bonds in an amount not to exceed \$1,200,000 to provide funds to replace bleachers, construct restroom and cold storage facilities and upgrade the electrical system / lights at Cameron Stadium (the "Original Cameron Stadium Improvements");

WHEREAS, the amount of bonds authorized by Order #13-157 (\$1,200,000) fell below the then-applicable referendum threshold (\$1,231,000) established under Article VIII, Section 19(a) of the City's Charter; and

WHEREAS, at the time Order #13-157 was adopted, the City Council anticipated that certain related additional Cameron Stadium improvements, including but not limited to locker rooms (the "Additional Cameron Stadium Improvements"), would be funded through private fund raising efforts; and

WHEREAS, because the anticipated fund raising efforts have not come to fruition, the City Council now desires to authorize additional general obligation bonds for Additional Cameron Stadium Improvements (\$668,000) and for improvements to 14th Street School (\$332,000); and

WHEREAS, there is a possibility that the Original Cameron Stadium Improvements and the Additional Cameron Stadium Improvements (referred to as the "Combined Cameron Stadium Improvements") could be treated as a single capital improvement under Article VIII, Section 19(a) of the Charter, which combined authorized amount of bonds for the Combined Cameron Stadium Improvements (\$1,868,000) would exceed the Charter's current referendum threshold (\$1,271,850); and

WHEREAS, certain portions of the Original Cameron Stadium Improvements were necessary for the preservation of public health or safety and could have been excepted from the Charter referendum requirement by the City Council under Article VIII, Section 19(b)(vi) of the Charter; and

WHEREAS, the City Council now desires to amend Order #13-157 to retroactively incorporate an emergency declaration therein and to authorize additional general obligation bonds for the Additional Cameron Stadium improvements;

NOW THEREFORE, following a public hearing held upon due notice posted and published pursuant to Article VIII, Section 13 of the Charter, by the City Council of the City of Bangor, **BE IT HEREBY ORDERED:**

THAT pursuant to 30-A M.R.S.A. §5772, Section 13 of Article VIII of the Charter (Private and Special Laws of 1931, Chapter 54 and all amendments thereof and acts additional thereto), and all other authority thereto enabling, there is hereby authorized and approved the issue and sale of the City's general obligation bonds in an amount not to exceed the aggregate principal amount of One Million Dollars (\$1,000,000). The proceeds derived from the sale of said bonds, including premium, if any, and any investment earnings thereon shall be used and are hereby appropriated to pay a portion of the costs (as herein defined) of the following improvements (the "Projects")"

<u>Description</u>	<u>Amount</u>	Estimated Life
Cameron Stadium Locker Rooms	\$668,000	15 years
14 th Street School – roof repair / replacement	\$332,000	20 years

BE IT FURTHER ORDERED:

THAT the City Council finds, determines and declares, with respect to the Original Cameron Stadium Improvements, that an emergency existed and continues to exist with respect to the need to acquire, install, replace and improve the bleachers and electrical system / lights portions of such Original Cameron Stadium Improvements within the meaning of Article VIII, Section 19(b)(vi) of the Charter as follows:

- Cameron Stadium was built in the early 1940's and suffered from the following issues: moisture infiltration had jeopardized the integrity of the walls; the structural beams did not meet current capacity codes; the metal decking consisted of lead paint, was flaking and was extremely slippery when wet; and the seating section was not ADA compliant.
- The bleachers in Cameron Stadium being replaced were unsafe and were beyond the end of their useful life;
- The electrical lighting system in Cameron Stadium was unsafe in that the wiring which fed the various light poles was buried but not encased in conduit leading to three instances where spectators and an employee received a shock attributable to the deficient wiring and therefore needed to be replaced;

- These circumstances create an unacceptable risk to the health and safety of the residents of the City;
- There was and is therefore a substantial public exigency to speedily acquire, install, replace and improve the bleachers and electrical system / lights, portions of Cameron Stadium in order to meet the needs of the residents of the City;
- Because there was and is an urgent and unavoidable need for these portions of the Original Cameron Stadium Improvements, the City Council finds, determines and declares that emergency circumstances exist under Article VIII, Section 19(b)(vi) of the City Charter requiring approval of the bonds issued or to be issued for such improvements without referendum approval, which would put timely completion of the Combined Cameron Stadium Improvements at risk.

BE IT FURTHER ORDERED:

THAT in the event the above-retroactive declaration of an emergency with respect to the Original Cameron Stadium Improvements is found to be defective in any manner, the City Council finds, determines and declares with respect to the Additional Cameron Stadium Improvements, that an emergency exists with respect to the need to acquire, install, replace and improve the Additional Cameron Stadium Improvements within the meaning of Article VIII, Section 19(b)(vi) of the Charter as follows:

- At the time Order #13-157 was adopted, the City Council could have found and declared that an emergency existed with respect to the need to acquire, install, replace and improve the bleachers and electrical system / lights portions of the Original Cameron Stadium Improvements within the meaning of Article VIII, Section 19(b)(vi) of the Charter
- It is important for the Combined Cameron Stadium Improvements be completed in a timely fashion.
- These circumstances create an unacceptable delay in the completion of the Combined Cameron Stadium Improvements;
- There is a substantial public need to speedily complete the Combined Cameron Stadium Improvements in order to meet the needs of the residents of the City;
- The City Council finds, determines and declares that emergency circumstances exist under Article VIII, Section 19(b)(vi) of the City Charter requiring approval of the bonds authorized hereby for such improvements without referendum approval, which would put timely completion of the Combined Cameron Stadium Improvements at risk.

BE IT FURTHER ORDERED:

THAT the estimated weighted period of utility for the property constituting the Projects to be financed with the proceeds of the bonds is hereby determined to be the period of time indicated above for said Projects.

THAT the Finance Director, with the approval of the Finance Committee, be and hereby is authorized to prepare, issue, and sell such bonds in the name of and on behalf of the City, at one time, or from time to time, as one or more separate bond issues, and to determine the date(s), maturities (not to exceed the maximum term permitted by law), denominations, interest rate or rates, place of payment, and other details of said bonds, including the timing and provision for their sale and award, such approval to be conclusively evidenced by the execution thereof.

THAT the Finance Director, with the approval of the Finance Committee, be and hereby is authorized to provide that any of the bonds hereby authorized may be made subject to call for redemption, with or without a premium, before the date fixed for final payment of the bonds, as provided in 30 A M.R.S.A. §5772(6), as amended.

THAT in each of the years during which any of the bonds are outstanding, there shall be levied a tax in an amount that, with other revenues, if any, available for that purpose, shall be sufficient to pay the interest on said bonds, payable in such years, and the principal of such bonds maturing in such years.

THAT pursuant to 30 A M.R.S.A. §5772, Section 15 of Article VIII of the Charter and any other authority thereto enabling, the Finance Director, with the approval of the Finance Committee is hereby authorized to issue temporary notes of the City in anticipation of the forgoing bond issue, to be in such form and contain such terms and provisions including, without limitation, maturities (not to exceed 3 years from the issue date), denominations, interest rate or rates, place of payment, and other details as they shall approve, their approval to be conclusively evidenced by their execution thereof.

THAT said bonds and notes in anticipation thereof shall be signed by the Finance Director, countersigned by the Chair of the City Council, sealed with the seal of the City, attested by its Clerk, and that said bonds 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.

THAT the Finance Director be, and hereby is, authorized and empowered in the name of and on behalf of the City to execute and deliver all such contracts, agreements, certificates, instruments and other documents as may be necessary or advisable, with the advice of counsel for the City, in connection with the financing of the Projects and the sale, execution, issuance, and delivery by the City of the bonds and notes.

THAT the Finance Director be and hereby is authorized to select the underwriter, registrar, paying agent and transfer agent for the bonds or notes 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.

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 notes 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 notes for sale be and hereby is approved.

THAT the bonds and notes shall be transferable only on the registration books of the City kept by the transfer agent, and said principal amount of the bonds and notes of the same maturity (but not of other maturity), 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.

THAT the Finance Director and Chair of the City Council from time to time shall execute such bonds or notes as may be required to provide for exchanges or transfers of bonds or notes as heretofore authorized, all such bonds or notes to bear the original signature of the Finance Director and Chair of the City Council, and in case any officer of the City whose signature appears on any bond or note shall cease to be such officer before the delivery of said bond or note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery thereof.

THAT upon each exchange or transfer of bonds or notes, the City and transfer agent shall make a charge sufficient to cover any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange, and subsequent to the first exchange or transfer, the cost of which shall be borne by the City, the cost of preparing new bonds or notes upon exchanges or transfers thereof shall be paid by the person requesting the same.

THAT in lieu of physical certificates of the bonds and notes hereinbefore authorized, the Finance Director be and hereby is authorized to undertake all acts necessary to provide for the issuance and transfer of such bonds and notes in book-entry form pursuant to the Depository Trust Company Book-Entry Only System, as an alternative to the provisions of the foregoing paragraphs regarding physical transfer of bonds, 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 her opinion, appropriate in order to qualify the bonds for and participate in the Depository Trust Company Book-Entry Only System.

THAT the bonds and notes issued in anticipation thereof be issued on either a taxable or a tax-exempt basis, or a combination thereof, as determined by the Finance Director, with the approval of the Finance Committee.

THAT, if the bonds or notes, or any part of them are issued on a tax exempt basis, Finance Director be and hereby is authorized and directed to covenant and certify in the name of and on

behalf of the City that no part of the proceeds of the issue and sale of the bonds or notes authorized to be issued hereunder and not part of the Projects shall be used directly or indirectly in any manner that would cause such bonds or notes to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141 and 148 of the Internal Revenue Code of 1986, as amended (the "Code").

THAT, if the bonds or notes, or any part of them, are issued on a tax exempt basis, the Finance Director be and hereby is authorized to covenant and agree, in the name of and on behalf of the City, for the benefit of the holders of such bonds or notes, that the City will file any required reports and take any other action that may be necessary to ensure that interest on the bonds or 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 notes to be subject to federal income taxation.

THAT, if the bonds or notes, or any part of them, are issued on a tax exempt basis, the Finance Director be and hereby is authorized and empowered to take all such action as may be necessary to designate the bonds or notes as qualified tax-exempt obligations for purposes of Section 265(b) of the Code; it being the City Council's intention that, to the extent permitted under the Code, the bonds or notes be Section 265(b) designated and that the Finance Director with advice of bond counsel, make the required Section 265(b) election with respect to such bonds to the extent that the election may be available and advisable as determined by the Finance Director.

THAT the Finance Director be and hereby is authorized to covenant, certify, and agree, in the name of and on behalf of the City, for the benefit of the holders of such bonds or notes, 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 ensure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

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, construct, renovate, refurbish, improve, acquire, replace, furnish and equip the Projects; (2) the cost of land, easements and other real property interests, landscaping and site preparation, utility extensions, 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 Projects; (3) the cost of feasibility studies, surveys, environmental studies and assessments, engineering, plans and specifications, legal and other professional services associated with the Projects; (4) issuance costs, including premiums for insurance, capitalized interest and other financing charges, fees and expenses relating to the financing transaction.

THAT the investment earnings on the proceeds of the bonds and notes, if any, and the excess proceeds of the bonds or notes (including premium), if any, be and hereby are appropriated for the following purposes:

1. To any costs of the Projects in excess of the principal amount of the bonds or notes authorized hereunder;
2. If the bonds or notes are issued on a tax exempt basis, in accordance with applicable terms and provisions of the Arbitrage and Use of Proceeds Certificate delivered in connection with the sale of the bonds or notes including, to the extent permitted thereunder, to the City's General Fund;
3. To pay debt service on the bonds.

THAT if the actual cost of any Project differs from the estimated cost set forth herein, whether due to completion, delay or abandonment of the Project for any other reason, the Finance Director is authorized, in her 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.

THAT the Finance Director, Chair of the City Council, Clerk, and other proper officials of the City be, and hereby are, authorized and empowered in the name of and on behalf of the City to do or cause to be done all such acts and things as may be necessary or advisable, with the advice of counsel for the City, in order to effect the sale, issuance, execution, and delivery by the City of the bonds and notes.

THAT if any of the officers or officials of the City who have signed or sealed the bonds and notes hereinbefore authorized shall cease to be such officers or officials before the bonds or notes so signed and sealed shall have been actually authenticated or delivered by the City, such bonds or notes 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 notes 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 notes, shall be the proper officers and officials of the City, although at the nominal date of such bonds or notes any such person shall not have been such officer or official.

THAT if the Finance Director, Chair of the City Council, or Clerk are for any reason unavailable to approve and execute the bonds 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.

THAT any issue of bonds may be consolidated with and issued at the same time as any other issue of bonds authorized prior to their issuance, and the bonds may be divided into multiple series and issued in separate plans of financing, with the approval of the Finance Committee.

THAT during the term any of the bonds are outstanding, the Finance Director 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 30 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 Finance Director 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 Finance Director, countersigned by the Chair of the City Council, sealed with the seal of the City, attested by its Clerk.

THAT it is the intent of the City Council that this Order constitute the City's declaration of official intent within the meaning of Treasury Regulation §1.150-2.

COUNCIL ACTION

Item No. 16-285

Date: July 25, 2016

Item/Subject: Order, Authorizing Issuance of \$7,003,000 of the City's General Obligation Bonds and a Tax Levy There For

Responsible Department: Finance

Commentary:

The attached Order would authorize the issuance of \$7,003,000 in general obligation bonds for the following purposes: \$330,000 for equipment replacement, \$1,808,000 for streets and sidewalks, \$1,650,000 for street/retaining wall; \$1,200,000 for Fire apparatus, \$160,000 for building improvements, \$750,000 for Penobscot River remediation, and \$1,105,000 for WWTP infrastructure improvements. These projects were discussed during the recently completed FY 2017 budget process.

This Order will require a Public Hearing at the August 8th City Council Meeting

Department Head

Manager's Comments:

City Manager

Associated Information:

Order

Budget Approval:

Finance Director

Legal Approval:

City Solicitor

Introduced for

Passage

First Reading

Referral – Finance Committee of 8/1/16

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Assigned to Councilor Durgin



CITY OF BANGOR

(TITLE.) Order, Authorizing Issuance of \$7,003,000 of the City's General Obligation Bonds and a Tax Levy There For.

FOLLOWING a public hearing held upon due notice posted and published pursuant to Article VIII, Section 13 of the City Charter, by the City Council of the City of Bangor, be it hereby ORDERED:

THAT pursuant to 30-A M.R.S.A. §5772, Section 13 of Article VIII of the City Charter (Private and Special Laws of 1931, Chapter 54 and all amendments thereof and acts additional thereto), and all other authority thereto enabling, there is hereby authorized and approved the issue and sale of the City's general obligation bonds in an amount not to exceed the aggregate principal amount of Seven Million Three Thousand Dollars (\$7,003,000). The proceeds derived from the sale of said bonds, including premium, if any, and any investment earnings thereon shall be used and are hereby appropriated to pay a portion of the costs (as herein defined) of the following Projects.

<u>Description</u>	<u>Amount</u>	<u>Estimated Life</u>
Streets & Sidewalks	\$1,808,000	15 years
Street/Retaining Wall	\$1,650,000	20 years
Fire Apparatus	\$1,200,000	15 years
Equipment (includes plow trucks, boards & glass)	\$330,000	15 years
Building Improvements	\$160,000	20 years
Penobscot River Remediation	\$750,000	12 years
WWTP Infrastructure	\$1,105,000	20 years

THAT the estimated weighted period of utility for the property constituting the Projects to be financed with the proceeds of the bonds is hereby determined to be the period of time indicated above for said Projects.

THAT the Finance Director, with the approval of the Finance Committee, be and hereby is authorized to prepare, issue, and sell such bonds in the name of and on behalf of the City, at one time, or from time to time, as one or more separate bond issues, and to determine the

date(s), maturities (not to exceed the maximum term permitted by law), denominations, interest rate or rates, place of payment, and other details of said bonds, including the timing and provision for their sale and award, such approval to be conclusively evidenced by the execution thereof.

THAT the Finance Director, with the approval of the Finance Committee, be and hereby is authorized to provide that any of the bonds hereby authorized may be made subject to call for redemption, with or without a premium, before the date fixed for final payment of the bonds, as provided in 30 A M.R.S.A. §5772(6), as amended.

THAT in each of the years during which any of the bonds are outstanding, there shall be levied a tax in an amount that, with other revenues, if any, available for that purpose, shall be sufficient to pay the interest on said bonds, payable in such years, and the principal of such bonds maturing in such years.

THAT pursuant to 30 A M.R.S.A. §5772, Section 15 of Article VIII of the City Charter and any other authority thereto enabling, the Finance Director, with the approval of the Finance Committee is hereby authorized to issue temporary notes of the City in anticipation of the forgoing bond issue, to be in such form and contain such terms and provisions including, without limitation, maturities (not to exceed 3 years from the issue date), denominations, interest rate or rates, place of payment, and other details as they shall approve, their approval to be conclusively evidenced by their execution thereof.

THAT said bonds and notes in anticipation thereof shall be signed by the Finance Director, countersigned by the Chair of the City Council, sealed with the seal of the City, attested by its Clerk, and that said bonds 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.

THAT the Finance Director be, and hereby is, authorized and empowered in the name of and on behalf of the City to execute and deliver all such contracts, agreements, certificates, instruments and other documents as may be necessary or advisable, with the advice of counsel for the City, in connection with the financing of the Projects and the sale, execution, issuance, and delivery by the City of the bonds and notes.

THAT the Finance Director be and hereby is authorized to select the underwriter, registrar, paying agent and transfer agent for the bonds or notes 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.

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 notes 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 notes for sale be and hereby is approved.

THAT the bonds and notes shall be transferable only on the registration books of the City kept by the transfer agent, and said principal amount of the bonds and notes of the same maturity (but not of other maturity), 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.

THAT the Finance Director and Chair of the City Council from time to time shall execute such bonds or notes as may be required to provide for exchanges or transfers of bonds or notes as heretofore authorized, all such bonds or notes to bear the original signature of the Finance Director and Chair of the City Council, and in case any officer of the City whose signature appears on any bond or note shall cease to be such officer before the delivery of said bond or note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery thereof.

THAT upon each exchange or transfer of bonds or notes, the City and transfer agent shall make a charge sufficient to cover any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange, and subsequent to the first exchange or transfer, the cost of which shall be borne by the City, the cost of preparing new bonds or notes upon exchanges or transfers thereof shall be paid by the person requesting the same.

THAT in lieu of physical certificates of the bonds and notes hereinbefore authorized, the Finance Director be and hereby is authorized to undertake all acts necessary to provide for the issuance and transfer of such bonds and notes in book-entry form pursuant to the Depository Trust Company Book-Entry Only System, as an alternative to the provisions of the foregoing paragraphs regarding physical transfer of bonds, 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 her opinion, appropriate in order to qualify the bonds for and participate in the Depository Trust Company Book-Entry Only System.

THAT the bonds and notes issued in anticipation thereof be issued on either a taxable or a tax-exempt basis, or a combination thereof, as determined by the Finance Director, with the approval of the Finance Committee.

THAT, if the bonds or notes, or any part of them are issued on a tax exempt basis, Finance Director be and hereby is authorized and directed to covenant and certify in the name of and on behalf of the City that no part of the proceeds of the issue and sale of the bonds or notes authorized to be issued hereunder and not part of the Projects shall be used directly or indirectly in any manner that would cause such bonds or notes to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141 and 148 of the Internal Revenue Code of 1986, as amended (the "Code").

THAT, if the bonds or notes, or any part of them, are issued on a tax exempt basis, the Finance Director be and hereby is authorized to covenant and agree, in the name of and on behalf of the City, for the benefit of the holders of such bonds or notes, that the City will file any required reports and take any other action that may be necessary to ensure that interest on the bonds or 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 notes to be subject to federal income taxation.

THAT, if the bonds or notes, or any part of them, are issued on a tax exempt basis, the Finance Director be and hereby is authorized and empowered to take all such action as may be necessary to designate the bonds or notes as qualified tax-exempt obligations for purposes of Section 265(b) of the Code; it being the City Council's intention that, to the extent permitted under the Code, the bonds or notes be Section 265(b) designated and that the Finance Director with advice of bond counsel, make the required Section 265(b) election with respect to such bonds to the extent that the election may be available and advisable as determined by the Finance Director.

THAT the Finance Director be and hereby is authorized to covenant, certify, and agree, in the name of and on behalf of the City, for the benefit of the holders of such bonds or notes, 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 ensure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

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, construct, renovate, refurbish, improve, acquire, replace, furnish and equip the Projects; (1) the cost of land, easements and other real property interests, landscaping and site preparation, utility extensions, 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 Projects; (3) the cost of feasibility studies, surveys, environmental studies and assessments, engineering, plans and specifications, legal and other professional services associated with the Projects; (4) issuance costs, including premiums for insurance, capitalized interest and other financing charges, fees and expenses relating to the financing transaction.

THAT the investment earnings on the proceeds of the bonds and notes, if any, and the excess proceeds of the bonds or notes (including premium), if any, be and hereby are appropriated for the following purposes:

1. To any costs of the Projects in excess of the principal amount of the bonds or notes authorized hereunder;
2. If the bonds or notes are issued on a tax exempt basis, in accordance with applicable terms and provisions of the Arbitrage and Use of Proceeds Certificate delivered in connection with the sale of the bonds or notes including, to the extent permitted thereunder, to the City's General Fund;

3. To pay debt service on the bonds.

THAT if the actual cost of any Project differs from the estimated cost set forth herein, whether due to completion, delay or abandonment of the Project for any other reason, the Finance Director is authorized, in her 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.

THAT the Finance Director, Chair of the City Council, Clerk, and other proper officials of the City be, and hereby are, authorized and empowered in the name of and on behalf of the City to do or cause to be done all such acts and things as may be necessary or advisable, with the advice of counsel for the City, in order to effect the sale, issuance, execution, and delivery by the City of the bonds and notes.

THAT if any of the officers or officials of the City who have signed or sealed the bonds and notes hereinbefore authorized shall cease to be such officers or officials before the bonds or notes so signed and sealed shall have been actually authenticated or delivered by the City, such bonds or notes 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 notes 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 notes, shall be the proper officers and officials of the City, although at the nominal date of such bonds or notes any such person shall not have been such officer or official.

THAT if the Finance Director, Chair of the City Council, or Clerk are for any reason unavailable to approve and execute the bonds 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.

THAT any issue of bonds may be consolidated with and issued at the same time as any other issue of bonds authorized prior to their issuance, and the bonds may be divided into multiple series and issued in separate plans of financing, with the approval of the Finance Committee.

THAT during the term any of the bonds are outstanding, the Finance Director 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 30 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 Finance Director 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 Finance Director, countersigned by the Chair of the City Council, sealed with the seal of the City, attested by its Clerk.

16-285
JULY 25, 2016

THAT it is the intent of the City Council that this Order constitute the City's declaration of official intent within the meaning of Treasury Regulation §1.150-2.



73 Harlow Street
Bangor, Maine 04401

Treasury Department
David W. Little
Tax Collector/Deputy Treasurer

Tel: (207) 992-4290
Fax: (207) 945-4422
Email: david.little@bangormaine.gov

To: Members of the Finance Committee
From: David Little, Tax Collector/Deputy Treasurer
Date: August 1, 2016
Re: Request to Take Possession of Multiple Properties with Matured Tax Liens

As part of the City's ongoing review of properties with matured tax liens the following six properties were identified by staff. All six are vacant pieces of land, have multiple years of outstanding taxes and our attempts to secure payment from the taxpayers have been unsuccessful. Staff recommends the City take possession of the properties by virtue of a matured tax lien.

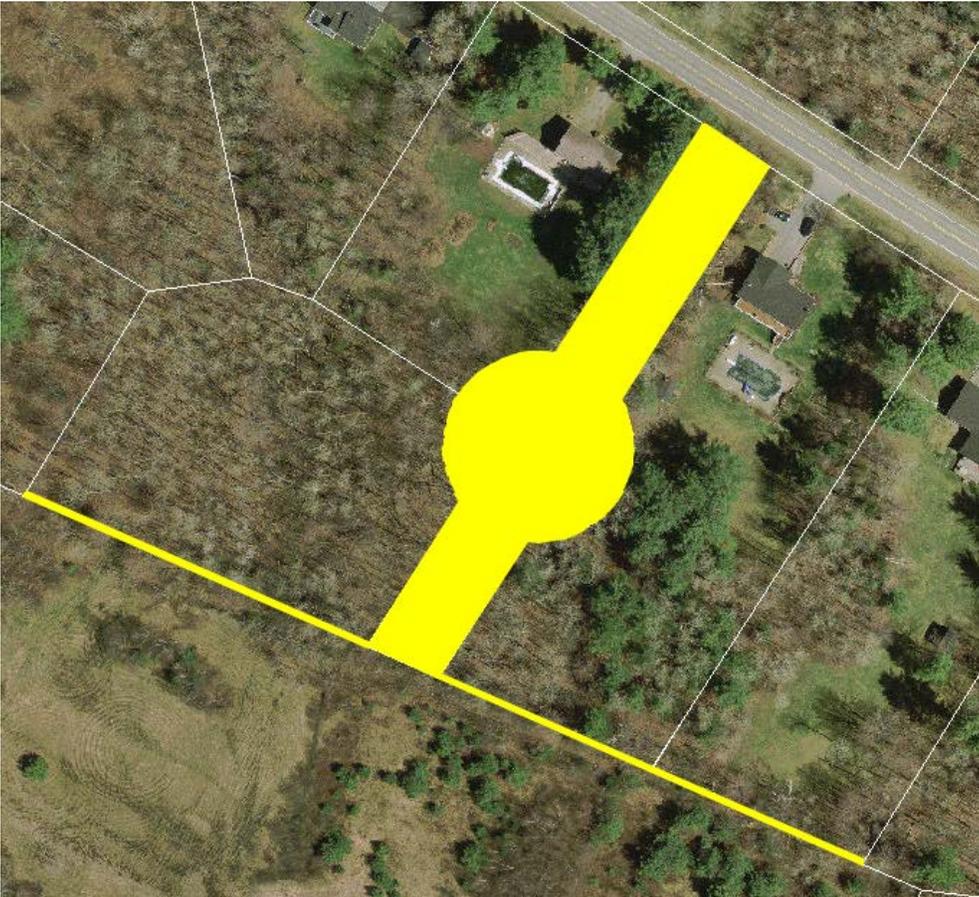
- Highland Lane has 7 years of outstanding taxes which total approximately \$415 and is assessed for \$200.
- Chase Road has 7 years of outstanding taxes which total approximately \$400 and is assessed for \$100.
- Kittredge Road has 7 years of outstanding taxes which total approximately \$1,340 and is assessed for \$5,600.
- Nowell Road has 5 years of outstanding taxes which total approximately \$267 and is assessed for \$100.
- Odlin Road has 10 years of outstanding taxes which total approximately \$4,800 and is assessed for \$3,700. There are also unpaid stormwater charges totaling \$110.
- Stillwater Avenue has 15 years of outstanding taxes which total approximately \$1,020 and is assessed for \$400.

Once acquired, City staff will determine the best use or disposal option for each property which may include an offer to the abutting property owners.

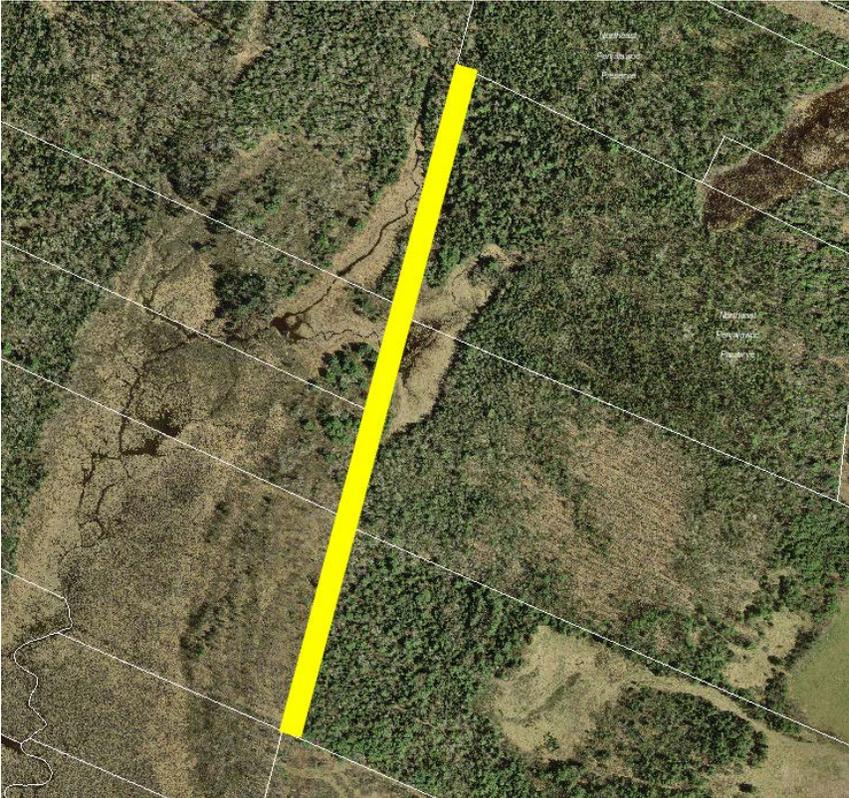
Highland Lane:



Chase Road:



Kittredge Road:



Nowell Road:



Odlin Road:



Stillwater Avenue:



COUNCIL ACTION

Item No. 16-

Date: August 8, 2016

Item/Subject: ORDER, Authorizing the City Manager to apply for funds in the amount of \$125,000 from the State of Maine Department of Public Safety to employ a case manager to assist persons with substance use disorder.

Responsible Department: Police

Commentary:

This order will authorize the City Manager to apply for funds in the amount of \$125,000 from the State of Maine Department of Public Safety. A case manager would be employed by the Police Department to divert alleged low-level offenders with substance use disorder into community-based social and health-care services. These would include evidence-based, community based treatment, medically assisted treatment, recovery and support services. The term of the grant would be October 1, 2016 to June 30, 2018.

Department Head

Manager's Comments:

City Manager

Associated Information: Order

Budget Approval:

Finance Director

Legal Approval:

City Solicitor

Introduced for

- Passage
- First Reading
- Referral

Page ___ of



Assigned to Councilor

CITY OF BANGOR

(TITLE.) Order, Authorizing the City Manager to apply for funds in the amount of \$125,000 from the State of Maine Department of Public Safety to employ a case manager to assist persons with substance use disorder.

BE IT ORDERED THAT: The City Manager is authorized to apply for funds in the amount of \$125,000 from the State of Maine Department of Public Safety to employ a case manager to assist persons with substance use disorder. The term of the grant is October 1, 2016 to June 30, 2018.