

TOWN OF HAMPDEN

ORDINANCE AUTHORIZING APPROPRIATION AND BORROWING OF FUNDS TO FINANCE SEWER IMPROVEMENTS AND REPAIRS THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS OR NOTES OF THE TOWN OF HAMPDEN, WHICH MAY BE CALLABLE, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,113,400.

The Town of Hampden hereby ordains as follows:

Section 1. That pursuant to Section 5772 of Title 30-A Maine Revised Statutes, as amended, the Charter of the Town and any other applicable authority under Maine law, the Town of Hampden is hereby authorized to borrow a principal amount not to exceed Two Million One Hundred and Thirteen Thousand and Four Hundred Dollars (\$2,113,400), said amount to be payable over a period not to exceed thirty (30) years, less the term of any Note described below, at such interest rates and on such further terms and conditions as may be approved by the Treasurer and a majority of the Town Council, the proceeds of said loan to be appropriated and used to finance sewer repairs and improvements in the Town, including but not limited to on Main Road North from Mountain View Drive southerly to Western Avenue, replacement of sewer infrastructure in and proximate to the Grist Mill Bridge, and on Western Avenue between Main Road North and Route 202, all as more particularly described in memoranda from Woodard and Curran to Sean Currier, Public Works Director of the Town dated January 5, 2017 and dated February 20, 2018 (the "Projects"). Said loan is to be evidenced by a General Obligation Bond or Bonds of the Town to be executed and delivered on behalf of the Town by the Town Treasurer and countersigned by a majority at least of the Town Council in a principal amount not to exceed \$2,113,400 in the aggregate (the "Bond"). The Bond may be subject to call for redemption as determined by the Town Treasurer and a majority of the Town Council.

Section 2. That in anticipation of the receipt of the Bond proceeds, pursuant to the Charter of the Town and Section 5772 of Title 30-A of the Maine Revised Statutes, as amended, and any other applicable authority under the laws of the State of Maine, the Town of Hampden is hereby authorized to borrow from a lending institution approved by the Town Treasurer and a majority at least of the Town Council a principal amount not to exceed Two Million One Hundred and Thirteen Thousand and Four Hundred Dollars (\$2,113,400) and in evidence thereof to execute and deliver one or more General Obligation Bond Anticipation Notes (each, a "Note") of the Town for a period not to exceed one year and to bear interest at such rate and said Note to be subject to such further terms and conditions as the Town Treasurer and a majority at least of the Town Council shall approve, and said Note, together with interest thereon, to be a general obligation of the Town, and intended to be repaid from the proceeds of the Bond, said Note to be executed and delivered on behalf of the Town by the Town Treasurer and countersigned by a majority at least of the Town Council, and such Note may be refunded from time to time for a period not to exceed an aggregate of three years with proceeds to be used to provide temporary funds to accomplish the Project.

Section 3. That the Town Manager, Mayor, or other officers designated by the Town Council be and each of them hereby is authorized to execute such documents and do all things necessary or convenient in order to issue the Bond or Note and to execute and deliver such loan applications as may be necessary or appropriate to such lender or lenders as they select. The Treasurer, Mayor, or other officers designated by the Town Council are further authorized to execute any and all loan agreements, resolutions, certificates, returns and other documents as may be required by any such lender as may be selected by the Town Treasurer and approved by a majority at least of the Councilors, in such form as may be required by each such lender.

Section 4. That the Town Clerk shall distribute a copy of this ordinance to each Council member and the Town Manager, and shall file a reasonable number of copies of this ordinance in the office of the Town Clerk and shall post a copy of this ordinance together with a Notice of Public Hearing at the following public places: Municipal Building, Post Office, Dyer Library, and Hannaford, as well as such other places as may be directed by the Town Manager.

Section 5. That a Public Hearing be held at 7:00 p.m. in the Hampden Municipal Building in Hampden, Maine on March 5, 2018, for the purpose of taking testimony and comments from the public with respect to the proposed issuance of the Bond, and that notice of the public hearing be given by the Town Clerk by publishing a summary of this ordinance and a place where copies of the complete ordinance have been filed and times available for inspection in the Bangor Daily News on or before February 26, 2018, together with a notice setting forth the time and place for the public hearing, and for the consideration of the proposed ordinance by the Town Council.

Section 6. That all actions heretofore taken by the Town Council of the Town of Hampden relating to the selling of the Town's Bond and Note authorized hereby be and they hereby are ratified, approved and confirmed.

Section 7. That pursuant to the requirements of the Internal Revenue Code of 1986, as amended, the Town designated the Bond and Note to be "qualified tax exempt obligations" of the Town.

Section 8. That the Town shall take any and all actions required under the Internal Revenue Code of 1986, as amended, to maintain the tax exempt status of the interest on the Notes and Bonds, and to maintain the status of the Bond and the Note as "qualified tax exempt obligations" of the Town; and that in connection with the Notes and Bonds, the Town Treasurer shall be authorized to execute and deliver on behalf of the Town one or more such Arbitrage and Use of Proceeds Certificates in form approved by the Town's bond counsel, and to covenant on behalf of the Town to file any information report and to pay any rebate due to the United States in connection with the issuance of the Bonds and Notes; and that the Notes and the Bonds may be subject to such further terms and conditions as may be agreed to by a majority at least of the Councilors and the Treasurer of the Town to carry into effect the full intent of this ordinance.

Section 9. That the law firm of Eaton Peabody shall act as bond counsel for the Town to advise the Town with respect to the issuance and sale of the Bond and the Note, and to prepare such documents and render such opinions as may be necessary or convenient for that purpose.

Section 10. That the Town Council and officials of the Town are hereby authorized to execute all documents and certificates, and to take all action, including affixing the seal of the Town, as may be necessary or convenient to carry out the full intent of this ordinance, and to accomplish the project and issue the Bond and the Note, including approval and signing of contracts and other agreements obligating the Town.

Section 11. That pursuant to Section 902 of the Town Charter, this ordinance shall go into effect only upon approval by the voters of the Town of Hampden. Be it further ordained that a referendum of the Town of Hampden be held to decide this question on June 12, 2018, pursuant to the Town Charter and the laws of Maine. The ballot question shall be substantially as follows:

TOWN OF HAMPDEN
BALLOT QUESTION NO. 1

Ordinance authorizing appropriation and borrowing of funds to finance sewer improvements and repairs in the Town of Hampden through the issuance of general obligation bonds or notes of the Town of Hampden, which may be callable, in a principal amount not to exceed \$2,113,400.

Shall the above-described ordinance be adopted and the municipal officers have the authority to issue general obligations bonds or notes of the Town and accomplish the Project as described above and in the ordinance?

Yes

No

ADOPTED: Hampden Town Council, March 19, 2018.

A True Copy, Attest: _____
Paula Scott
Town Clerk

TOWN OF HAMPDEN

Financial Statement
Sewer Bond

1. Total Town Indebtedness

A. Bonds outstanding and unpaid *	\$NTD
B. Bonds authorized and unissued	\$NTD
C. Bonds to be issued under this Ordinance:	\$2,113,400
TOTAL	\$NTD

* Excludes the Town's share of the \$22,187,352 debt of RSU 22 outstanding, approximately 90% of which will be paid by the State.

2. Costs

At an estimated interest rate of ___% for a term of ___ years, the estimated costs of this bond issue will be:

Principal	\$2,113,400
Interest	\$
Total Debt Service	\$

3. Validity

The validity of the bonds is not affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issue varies from the estimate, the approval by the councilors is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Angus Jennings
Treasurer
Town of Hampden, Maine