

**FINANCE & ADMINISTRATION COMMITTEE MEETING
AGENDA**

Monday, November 18th, 2019

6:00 p.m.

Hampden Town Office

1. Meeting Minutes – None
2. Review & Sign Warrants
3. Unfinished Business
 - a. Town Manager Search update – if needed
 - b. Council rules discussion
4. New Business
 - a. Recommendation regarding engaging the firm of Eaton Peabody as bond counsel for the 2019 SRF bond anticipation note and general obligation bond in the amount of \$754,000 for the Western Avenue & Dewey Street sewer project
 - b. Recommendation for Council to execute the 2019 SRF bond anticipation note and general obligation bond in the amount of \$754,000 for the Western Avenue & Dewey Street sewer project
5. Public Comment
6. Committee Member Comments
7. Manager's Comments
8. Adjourn

Article	Section
ARTICLE 1 - Mayor/Deputy Mayor	1. At the commencement of the Calendar year, and pursuant to Section 204 of the Town Charter, the town's attorney shall preside over the town council's election of one of its members as Mayor for the ensuing year. The Mayor shall preside over all meetings of the Council at which he or she is present.
	2. After the election, of the Mayor, he or she shall preside over the election of Deputy Mayor. The Deputy Mayor shall serve as the presiding officer at any meeting at which the Mayor is absent and shall assume all duties of the Mayor until the Mayor is present. In the absence of the Deputy Mayor, the Mayor shall appoint, in advance, another Councilor to chair the meeting.
	3. The Mayor shall recognize any Councilor who wishes to speak, shall state all motions that are before the assembly, rule on questions of parliamentary procedure and carry out all duties incumbent upon him under the laws of the State, the Town Charter, Town Ordinances, and the Rules of Procedure.
	4. The Mayor shall take the chair at the appointed time for the meeting, call the members to order, and proceed with the order of business.

ARTICLE 2 - Council	<p>1. The Town Council shall <u>only act by ordinance, order, or resolve</u>. All ordinances, orders, and resolves shall be confined to one subject, which shall be clearly expressed in the title. All orders and resolves shall be dated, numbered, and signed by the Town Clerk and the Town Councilors will receive a copy. <u>No action of the Council shall be binding or valid unless adopted by the majority vote of those present.</u></p>
	<p>2. In all motions of command, the form of expression shall be 'ordered' and in all motions concerning principles, facts, or purposes, the form shall be 'resolved'.</p>
	<p>3. All Town Councilors shall, pursuant to 1 MRSA § 412, participate in Freedom of Access Act training through the Maine Municipal Association's Elected Officials Course within 120 days of being sworn in as a Town Councilor. Documentation of that training shall be filed with the Town Clerk.</p>
	<p>4. A New Councilor orientation packet shall be provided to all Councilors at the time they are sworn in <u>and they shall sign and date receipt of the orientation packet which will also be recorded in the minutes of the next Council meeting.</u></p>

ARTICLE 3 – Agenda

1. The Town Council meetings shall be guided by a written agenda in the following order. Guests should be required to sign-in for the benefit of maintaining minutes.

(a) Pledge of Allegiance

(b) Approval of Agenda *Note (added after draft preparation): If a new item comes up after the agenda is prepared, you can make a motion to amend the agenda with the new item at the onset of the meeting.*

(c) Consent agenda

(i) Signatures

(ii) ~~Secretary's~~ Minutes

(iii) Communications

(iv) Committee Minutes

(d) Public Comments

(e) Policy Agenda

(i) News, Presentations and Awards

(ii) Public Hearings

(iii) Nominations, Appointments, Elections

~~(iv) Unfinished Business~~

~~(v) New Business~~

(f) Committee Reports - will include requested actions out of committee and as this would not represent the first reading it can be acted upon, does not require a second, and will be of the form to recommend:

(i) adoption

(ii) referral

(iii) rejection, or

(iv) no action taken

	<p><u>Recommendations will include results of committee members vote (re: 3-1 to adopt; 2-1 refer, etc. with a tie vote = no action taken)</u></p> <p>(g) <u>Unfinished Business</u></p> <p><u>(h) New Business - No new business will be acted on at its first reading and will be automatically tabled except by a majority vote of councilors to suspend this rule.</u></p> <p>(i) Manager's Report</p> <p>(j) Councilor Comments</p> <p>(k) Adjournment</p>
	<p>2. Any subject may be placed on the agenda for a council meeting by a council member, the town manager or at the request of any citizen. Any subject presented by a citizen must be received at the town office at least 5 calendar <u>four business</u> days prior to the council meeting. The agenda shall be prepared and posted in the town office at least one business day prior to a scheduled council meeting. The name of the Council member or other person, persons, or group requesting an item on the agenda will be indicated on the agenda with the item. An item on the agenda may be taken up out of order by unanimous consent of a majority of those present.</p> <p>3. An non-agenda item may be added to the agenda on the night of the meeting by unanimous consent of all Councilors present.</p> <p>4. Any item on the consent agenda can be set aside for discussion at the request of any Councilor, prior to a motion on the remainder of the consent agenda.</p> <p>5. Special Town Council meetings, as defined under Article 4, shall be guided by a written agenda in the following order.</p> <p>(a) Call to order</p> <p>(b) Topic(s) of the meeting</p> <p>(c) Adjournment.</p>

ARTICLE 4 - Meetings and Decorum

1. The first and third Mondays of each month are designated as ~~regular~~ Council meetings with the provision that a unanimous vote of the Councilors present would cancel or reschedule a meeting. Whenever a ~~regular~~ meeting falls on a legal holiday, such meeting will take place the following day except upon unanimous vote of the Councilors present to cancel or reschedule the meeting.

2. Special meetings of the Town Council may be scheduled for other dates for special purposes. The agendas for such meetings shall be posted at the Post Office, Town Office, Town Sign Board, and on the Town website, no less than 72 hours in advance of the meeting (unless an emergency meeting is needed for the purpose of dealing with an unanticipated Town emergency, in which case posting shall be to all normal posting locations and via email to local print media as soon as it is identified that a meeting will be held).

3. As a matter of courtesy, conduct for all Council and Committee members shall be as follows.

- (a) All cell phones shall be silenced during Council and Committee meetings;
- (b) Councilors and staff shall refrain from texting or emailing during all Council or Committee meetings;
- (c) cell phone use, texting and email may be done during breaks in ~~regular or special Council or Committee~~ meetings.

4. In all cases where the parliamentary proceedings are not determined by the foregoing rules and orders, "Roberts Rules of Order" shall be taken as authority to decide the course of proceedings.

5. When any Councilor is about to speak, they shall respectfully address the Mayor, confine themselves to the question under debate, and avoid personalities. No member speaking shall be interrupted by another but by a call to order, ~~or to correct a mistake.~~

	<p>6. When any Councilor speaks to staff, consultants, or to members of the public who are in attendance, they shall do so in a respectful and professional manner, shall confine themselves to the question under debate, and avoid conduct unbecoming an elected representative of the Town.</p>
	<p>7. <u>No business can be conducted without a quorum (representing the number personally present and not the number voting) defined as a simple majority of the Council (4) or Committee (3). Consideration may be given to ‘table’ important or controversial issues when only a simple majority is present.</u></p>
	<p>8. Every member present, when a question is put, shall give their vote, unless the Council, for special reasons, shall excuse them. Application to be recused must be made before debate on the issue and the decision on the application shall be made by a majority vote of the council without debate. <u>No vote can be taken without a motion on the floor and the vote will be of the form:</u></p> <p style="padding-left: 40px;"> <u>(a) all in favor</u> <u>(b) all opposed</u> <u>(c) those present</u> </p> <p><u>The Mayor (or Chair) will announce the outcome and voting results. (e.g. Motion carries 6-1-0; Motion defeated 3-4-0; Motion defeated (3-3-1); Motion carries 2-1-3), etc. – votes “present” do not count for or against the motion)</u></p>
	<p>9. The rules cannot be dispensed with or suspended if one or more members of the council shall object. No rule or order shall be amended or repealed without notice, in writing, being given at the preceding meeting.</p>
	<p>10. Council Meetings shall not extend beyond 10 p.m. without an affirmative vote of the Town Council.</p>
	<p>11. The Councilor Comment section of the agenda is reserved for any Council member to discuss matters not previously mentioned on the agenda. No official Council action can be taken during this portion of the meeting.</p>

ARTICLE 5 - Motions	<p><u>1. "Rule of motion before discussion" - Until a motion is made and seconded, no discussion is in order. The chair should refuse a motion that is out of order or conflicts with statute, ordinance, laws or bylaws.</u></p>
	<p><u>2. The member who made the motion is entitled to speak first in debate. Then members are called on in the order in which they are recognized by the chair, although members who have not spoken yet get preference over those who have. When possible, the chair alternates between someone in favor and someone against the motion.</u></p>
	<p>3. The following <u>motions</u> do not require a second:</p> <ul style="list-style-type: none"> (a) nominations (b) point of information (c) point of order (d) question of privilege (e) leave to withdraw a motion
	<p>4. The following <u>motions</u> are non-debatable:</p> <ul style="list-style-type: none"> (a) adjourn (b) lay on the table (c) filling in the blank (d) point of information (e) point of order (f) question of privilege (g) leave to withdraw a motion
	<p>5. When a motion is under debate, the only motions that the Mayor shall entertain will be:</p> <ul style="list-style-type: none"> (a) to adjourn (b) to lay on the table (c) the previous question

	<p>(d) to postpone the previous question to a date certain (e) to refer the previous question to a committee or administrative official (f) to amend, or (g) to postpone the previous question indefinitely.</p> <p>Motions shall have precedence in order in which they are introduced.</p>
	<p>6. When a vote is passed, it shall be in order for any member who voted in the majority, or in the negative on a tie vote, to move a reconsideration thereof at the same, or the next stated meeting, but not afterwards; and when a motion of reconsideration is decided, that vote shall not be reconsidered.</p>

ARTICLE 6 – Public Participation

1. Any person wishing to address the Town Council (or a Committee) will be given the opportunity to do so in accordance with the following procedures:
 - (a) Persons wishing to address the Council, or Committee, on an item which appears on the agenda shall wait until the Mayor announces the consideration of such item at which time, they may address the specific agenda item. There shall be a five-minute limit on comments. ~~In the event that~~ If a large number of persons wish to speak on an issue, this time limit may be changed to ensure that all who wish to speak have the opportunity to do so. Once public comment on an item has closed and a motion has been made and seconded by members of the Council/Committee, further public comment is only allowed if approved by a unanimous vote of those Council/Committee members voting.
 - (b) Persons wishing to address the Council/Committee on an item not appearing on the agenda shall be allowed to do so only in that section of the agenda referred to as "Public Comments". There shall be a five-minute limit on such comments per person per subject raised. Items heard during Public Comment may be placed on the agenda for a subsequent meeting or referred to a Committee or staff member for discussion/action. No votes may be taken by the Council/Committee on a subject raised during Public Comment without a vote by Council/Committee members to suspend the rules and add it to the agenda for consideration.
 - (c) Any person wishing to address the Council/Committee shall signify their desire by raising their hand, and when recognized by the Mayor (or Committee chair), such person shall thereupon request permission to address the Council/Committee giving their name and the road on which

	they live and then designating the subject matter on which they desire to address the Council/Committee.
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**ARTICLE 7 – Council
Committees**

1. ~~At the~~ As soon as possible in a new commencement of the calendar year, or as soon thereafter as possible, the Mayor will request a Committee assignment preference list from each Councilor and use that information in nominating three Councilors (one designated as a Chair) there shall be chosen to the following Committees, each Committee to consist of three or four members of the Council as the Mayor may designate, or, upon a successful motion, the Council may ballot. Committee assignments will be endorsed by a majority vote of Council.

(a) Finance and Administration - The purpose of this Committee shall be to review all items related to their fiscal impact on the town as well as all matters that pertain to items of administrative procedures. This Committee will also have the responsibility for the review and signature of all payment warrants.

(b) Service Committee - The purpose of this Committee shall be to review all matters related to services provided by the Town related to recreation, parks, trails, library, pool, communications and other items related to non-emergency or public works services provided to the community.

(c) Infrastructure - The purpose of this Committee shall be to review all matters pertaining to public infrastructure including buildings, roads and all Town capital equipment.

(d) Planning and Development - The purpose of this Committee shall be to review all matters related to all ordinances of the Town and all proposals for economic and community development.

2. The Committee meetings shall be guided by a written agenda in the following order.

(a) Approval of Minutes

	<p><u>(b) Committee Applications & Citizen Initiatives (if applicable)</u> <u>(c) Review and sign warrants (if applicable)</u> <u>(d) Unfinished Business (report to Council will be of the form outlined in Article 3.1.f)</u> <u>(e) New Business (report to Council will be of the form outlined in Article 3.1.f)</u> <u>(f) Staff Reports</u> <u>(g) Manager's report</u> <u>(h) Public Comments</u> <u>(i) Committee Member Comments</u> <u>(j) Adjournment</u></p> <p><u>3. Only appointed Committee members (including the Mayor as an ad-hoc) member can make/vote on motions but any Council member present may debate the motion.</u></p>
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ARTICLE 8 – Sanctions

1. Council members who intentionally and/or repeatedly do not follow Council rules, or whose conduct is that unbecoming as an official, ~~may be reprimanded or formally censured by the Council. Serious infractions of Council Rules could lead to other sanctions as deemed appropriate by the Town Council.~~ may be censured (a warning that if certain behavior continues, the next step is suspension) by a motion (that is amendable, debatable and cannot be reconsidered.) adopted by a majority vote.

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November 12, 2019

Paula Scott, Interim Town Manager
Town of Hampden
106 Western Ave.
Hampden, ME 04444

Re: 2019 \$754,000 CWSRF Bond Anticipation Note and General Obligation Bond

Dear Paula:

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel in connection with the issuance of the above-referenced Bond Anticipation Note (the "Note") and later, the General Obligation Bond (the "Bond") for the same by the Town of Hampden (the "Issuer").

Bond counsel is engaged as a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of Bonds.

As bond counsel, we will examine applicable law; prepare authorizing and operative documents; consult with the parties to the transaction prior to the issuance of the Notes and Bonds; review certified proceedings; and undertake such additional duties as we deem necessary to render the opinions. We understand this issue will be used to finance the repair and replacement of portions of Hampden's sewer collection system and related costs on Western Avenue (the "Project").

Subject to the completion of proceedings to our satisfaction, on closing of the Note we will render our opinions that:

- 1) The Issuer is a "Municipality" within the meaning of paragraph A of subsection 7-A of Section 5903 of Chapter 225 of Title 30-A of the Maine Revised Statutes Annotated, as amended (the "Act") and the Note constitutes a "Municipal Bond" within the meaning of subsection 6-B of Section 5903 of the Act. The execution, issuance and delivery of the Note have been duly authorized.
- 2) The Loan Agreement has been duly authorized and executed by the Issuer. When duly executed on behalf of the Bank, the Loan Agreement will constitute a valid and binding

obligation of the Issuer to make payments to the Bank of the amounts as therein provided. The Loan Agreement inures to the benefit of the Bank and cannot be amended so as to adversely affect the rights of the Bank or diminish the obligations of the Issuer without the written consent of the Bank.

- 3) The Note is a valid and binding general obligation of the Issuer.
- 4) To the best of our knowledge after diligent inquiry, the Issuer is in compliance with the provisions of Title 30-A sec. 5953-A (3) (a), (b) and (c).

When the Project is completed and the Maine Municipal Bond Bank is prepared to go final, subject to the completion of proceedings to our satisfaction, on closing of the Bond we will render our opinion that:

- 1) The Issuer is a "Governmental Unit" within the meaning of paragraph A of subsection 7-A of Section 5903 of Chapter 225 of Title 30-A of the Maine Revised Statutes Annotated, as amended (the "Act") and the Bond constitutes a "Municipal Bond" within the meaning of subsection 6-B of Section 5903 of the Act. The execution, issuance and delivery of the Bond have been duly authorized.
- 2) The Loan Agreement has been duly authorized and executed by the Issuer. When duly executed on behalf of the Bank, the Loan Agreement will constitute a valid and binding obligation of the Issuer to make payments to the Bank of the amounts as therein provided. The Loan Agreement inures to the benefit of the Bank and cannot be amended so as to adversely affect the rights of the Bank or diminish the obligations of the Issuer without the written consent of the Bank.
- 3) Once the Bank commits funds to the loan, the Bond will be a valid and binding general obligation of the Issuer.
- 4) To the best of our knowledge after diligent inquiry, the Issuer is in compliance with the provisions of Title 30-A sec. 5953-A (3) (a), (b) and (c).

The opinions will be executed and delivered by us in written form on the date the Notes and Bonds are exchanged for their purchase price (the "Closing") and will be based on facts and law existing as of their dates. Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing.

In rendering the opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

As bond counsel, we do not advocate the interests of the Issuer or any other party to the transaction. We assume that the Issuer and other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

As bond counsel, we will not assume or undertake responsibility for the preparation of an Official Statement or any other disclosure document with respect to the Note or Bond, nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document. However, if a disclosure document will be adopted or approved by the Issuer, our responsibility will include the preparation or review of any description therein of: (i) Maine and federal law pertinent to the validity of the Notes or Bonds and the tax treatment of interest paid thereon, (ii) the terms of the Note or Bond, and (iii) our opinion.

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, (iv) the responsibilities we assume, we have agreed to perform the responsibilities described above for \$7,500. Our fee will be billed in two installments: \$3,000 at the closing of the Note and the balance of \$4,500 at the closing of the Bond. Such fee may vary: (i) if the principal amount of the Bond actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. If, at any time, we believe that circumstances require an adjustment of our original fee estimated, we will consult with you. In addition, we will expect to be reimbursed for all out-of-pocket expenses, including travel costs, photocopying, deliveries, long distance telephone charges, filing fees, and other necessary office disbursements.

If, for any reason, the financing is not consummated or is completed without the rendition of our opinions as bond counsel, we will expect to be compensated at our normal hourly rates (currently a blended rate of \$295 per hour for all lawyers and paralegals working on the bonds) for time actually spent, plus out-of-pocket expenses. Our fee is usually paid at the Closing, and we customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing.

This engagement letter is also subject to the attached Standard Terms and Conditions, except as they may be inconsistent, in which case the terms set out in this letter will govern.

If the foregoing terms of this engagement are acceptable to you, please so indicate by returning the enclosed copy of this letter signed by an appropriate officer retaining the original for your files.

Thank you for placing your trust in Eaton Peabody. We will do our best to justify and keep that trust. Should you have any other needs for service, we would be happy to talk with you about whether any of our more than 60 consultants and lawyers are available to meet them. We look forward to working with you.



STANDARD TERMS AND CONDITIONS

1. SCOPE OF ENGAGEMENT

You have engaged Eaton Peabody (the “Firm”) to represent you and perform the services listed in the engagement letter accompanying these Terms. One of the purposes of the engagement letter and these Terms is to provide you and this office with a clear and understandable statement of the scope and terms of your engagement of us and to foster a cooperative and professional relationship between attorney and client. These terms will apply except to the extent specifically modified in the engagement letter or other writing.

2. RATES AND CHARGES

Eaton Peabody strives to provide all legal services in an efficient and cost effective manner, and we will bill you in an amount which, in our judgment, reflects the fair value of the services rendered. Where appropriate we will bill a fixed fee amount for a discrete task. In the performance of drafting and negotiation of complex instruments and transactions it is often impossible to fix a fee for that service and we will bill based upon time and other relevant factors. All attorneys and certain other Firm personnel record their time. Each is assigned an hourly rate for a particular project. Rates may vary depending on the person working on the project and on the nature of the services required. Often, fees are based primarily on time devoted to a matter. Current hourly rates for those actively working on your project are available upon request. Rates are subject to periodic adjustment without notice. In addition to hours devoted to a matter, we may also consider, where appropriate, such factors as the nature of the services performed, any special expertise required, the size of the project, the level of responsibility assumed, special time deadlines imposed for completion of work, the result obtained and other relevant circumstances. Time charges include all work performed on a project such as conferences, telephone calls, email and other correspondence, and review and preparation of documents and travel.

In addition to fees for services, you also are responsible for payment of costs incurred by the Firm in connection with the services performed including travel expenses, photocopy and facsimile charges, filing fees and telephone charges. We reserve the right to request advance payment of any significant disbursements.

3. FIXED FEES AND ESTIMATES

Certain routine services, such as certain business entity formation, annual corporate maintenance and filings, are billed on a fixed fee basis. If applicable, those fees will be explained to you at the time of our engagement. Fixed fees normally are payable in advance.

Our engagement letter may set forth an estimate of charges to be incurred in connection with the matter described in the letter. While our estimate is a good faith projection of the range of fees likely to be incurred in rendering the described services, unforeseen contingencies may arise in connection with any matter, and there can be no assurance that our estimate will prove

accurate. The final cost may be more or less than the estimate. If at any time it appears that we will substantially exceed our fee estimate, we will consult with you and will provide a revised estimate before proceeding.

4. ADVANCES

It is our general practice to require that a retainer be paid before services are performed. The amount of the retainer required will vary from case to case but generally represents an estimate of fees likely to be incurred in the first billing period, which normally is monthly. We also reserve the right to require direct payment in advance of significant disbursements such as for engagement of outside consultants or for travel expenses. Amounts on retainer are credited against disbursements and services as they are incurred. Unless you have expressly agreed that your retainer is to be nonrefundable, any amount remaining on retainer at the conclusion of a matter will be refunded to you or credited to your account on any other pending matter as to which you have engaged us. The requirement of a retainer may be waived for existing clients with a good credit history or in other unusual circumstances.

5. ACCOUNTANT AND EXPERTS

If, in our opinion, it is advisable for you to engage an accountant, consultant or other expert, and you have not engaged such an expert we will recommend such an expert to you. If we are to engage the services of the expert on your behalf we will obtain your consent prior to engaging his or her services. You will be independently responsible for his or her charges unless other specific arrangements are made.

6. BILLING

Unless other arrangements have been made, we bill on a monthly basis. Retainer payments are applied against monthly billings. We request payment for all services and expenses within thirty days from the date of our monthly statement and reserve the right to charge a late fee for balances not paid within thirty days. While we will work diligently to perform the services as to which we have been engaged, we cannot guarantee results. Accordingly, unless your engagement letter expressly states otherwise, payment for our services is not contingent on the successful conclusion of any transaction or other matter.

7. INSURANCE

It is possible that you may have insurance policies relating to the subject of our engagement. You should provide us with copies of all applicable insurance policies and, if coverage may be available, we will, either notify the insurance company about the matter as soon as possible or urge you to do so. We do not undertake any responsibility to advise you on the existence, applicability, or availability of insurance coverage for any of the matters handled by us unless you have provided us with copies of your policies of insurance and expressly requested our advice on potential coverage under those policies. If an insurance company undertakes the payment of any portion of our statements, you will still remain responsible for any amounts not paid by the insurance company.

8. WITHDRAWAL

We reserve the right to withdraw from representing you at any time and for any reason. In addition, while we endeavor to identify conflicts of interest at the outset of an engagement, in the event a conflict is discovered or arises after our engagement, we may be required to withdraw from representing you as a matter of professional responsibility. You will remain responsible for payment of our fees up to the date of our withdrawal. In the event we withdraw, we will provide you with sufficient notice so that you will have the opportunity to employ other counsel.

9. CONFIDENTIALITY AND ATTORNEY-CLIENT PRIVILEGE

In instances in which Eaton Peabody undertakes to represent a corporation or other business entity, its professional obligations are owed to that entity and not to its shareholders, officers, directors, managers or members in their individual capacities. Any such person who feels the need for separate individual counsel is encouraged to seek such counsel from other sources.

Communications between our clients and representatives of the Firm are regarded as strictly confidential. Any such communications made in the context of the attorney-client relationship may also be legally privileged. You should be aware, however, that communications between you and this Firm, including but not limited to email communications, which are shared or otherwise made available to third parties are not privileged, and we may later be legally required to divulge such communications. In addition, conversations between us and shareholders, officers, directors, managers, members or employees of a client are not privileged as to, and may be disclosed to, other shareholders, officers, directors, managers, members or employees of that client.

10. INQUIRIES

Any attorney-client relationship is one of mutual trust and confidence. We do our best to see that our clients are satisfied not only with our services but also with the reasonableness of the fees and disbursements charged for those services. Whenever you have any questions or comments regarding our services, or the status of your file(s), or whenever any new facts or considerations come to your attention, you should contact the attorney who is principally responsible for your matter. We also encourage you to inquire about any matter relating to our fee arrangements or monthly statements that are in any way unclear or appear unsatisfactory.

11. FILE RETENTION AND DESTRUCTION

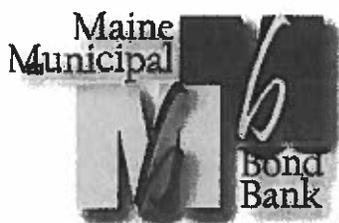
At the completion of the case or matter, we may return your file to you for safekeeping. Otherwise, your file will be retained for a reasonable time period established by Firm policy after which it will be destroyed. If you want us to keep your file for a longer period of time or if you are at all concerned that the documents and materials in your file might be destroyed over time, please request your file at the completion of the case or matter.

12. OTHER SERVICES AND FUTURE ENGAGEMENTS

We look forward to representing you in this matter and others. We are a full service law firm and offer an array of legal services. We also offer legislative, economic development and other services through our affiliate, Eaton Peabody Consulting Group. We would be happy to discuss with you how we might serve your other legal needs. Please note that although our engagement letter may apply to your representation on a particular matter, if you engage us in any other matter, the letter and these Terms will apply unless specifically modified.

13. EMAIL COMMUNICATIONS

E-mail communication is common, efficient, convenient, and cost-effective. However, the security and confidentiality of e-mail is difficult to assess and can be compromised. If you send us e-mail messages, we will assume that you have investigated and are satisfied with the security and confidentiality of the e-mail address(es) and system(s) from which you send them and that you accept the risks of harm resulting from unintended or unwanted disclosure of messages that you send to us or that we send to you using such e-mail address(es) and system(s). Therefore you and we agree that, by sending e-mail message(s) to us, you are authorizing and directing us to communicate with you by e-mail to the address(es) used by you on all matters related to the representation, including sensitive and private information and opinions.



Michael R. Goodwin, *Executive Director*
Tel 207-622-9386
Fax 207-623-5359

November 28, 2018

James Chandler
Town Manager
Town of Hampden
106 Western Avenue
Hampden, ME 04444

Dear Mr. Chandler:

It is my pleasure to inform you that the Commissioners of the Maine Municipal Bond Bank ("The Bank") have approved the request from the **Town of Hampden** ("the Municipality") for a **\$2,163,400 loan for thirty years** to be funded from the Clean Water State Revolving Loan Fund Program ("CWSRF"). Maine's Department of Environmental Protection ("MDEP") has agreed to forgive up to \$50,000 of this loan amount, conditional upon compliance with any and all MDEP and/or CWSRF requirements. The Bank will provide a loan for your issuance out of federal and/or state funds. Loan documents will be sent out to your local bond counsel immediately upon your request. The schedule of the loan will be at your convenience.

The approval of this loan is conditioned on the following:

1. The receipt of capitalization grants.
2. That normal documentation and Bond Counsel's legal opinion be received within our time frame including verification that the Municipality properly exists and has the authority to borrow, and that all required legal actions by the voters or governing body of the Municipality have been either waived pursuant to law or have been complied with.
3. No substantive change occurs in your financial condition.
4. No litigation is threatened or pending that may have material effect on the loan.
5. The Municipality agrees to submit annual audited financial reports, which will be in accordance with *Generally Accepted Accounting Principles*, and single audit reports as required by OMB Circular A-133 (see condition #16), available prior to the closing of the loan and during the entire life of the loan.
6. The Municipality agrees that upon completion of the work, the Municipality will submit to the Bank a certification of completion of the project (obtained from MDEP).
7. No change in the law occurs that could affect the issue.
8. The Municipality agrees to indemnify and hold the Bank harmless from liability resulting

from any subsequent withdrawal of this approval.

9. That there is an established dedicated source of revenue for repayment of the loan, payment of all issuance and loan servicing fees, and for payment of all operational and maintenance costs incurred by the Municipality (i.e., user charges, special assessments or general taxes). The Municipality will also be responsible for all legal costs related to the closing of the loan. In the event that the issuance is not completed, the Municipality will be billed on a current basis for any incurred legal expenses.
10. That the user fees or dedicated revenue source is in place and will be revised from time to time as necessary such that the revenues and funds received by the Municipality shall be sufficient to pay the costs incurred by the Municipality.
11. That there is established, at an institution designated by the Bank, a construction account for all loan proceeds which is separate and distinct from all other accounts, set up in accordance with generally accepted government accounting standards. This must be done to insure for audit purposes that funds are being properly supported, that they are related to eligible construction costs, and that they are documented by the appropriate records. Construction proceeds will be disbursed upon requisition made to the Bond Bank to a separate project account maintained by the Municipality as necessary in the same manner described.
12. The Municipality is in compliance with the Maine statutory requirements of 30-A MRSA Section 5953-A paragraph three (3) concerning loans from the CWSRF.
13. The Municipality agrees to meet the requirements of an environmental review and a plan and specification review to be conducted by MDEP and to maintain compliance with the requirements of each review throughout the life of the loan.
14. No later than the designated deadline determined by MDEP, the Municipality will certify to MDEP that a Fiscal Sustainability Plan acceptable to MDEP has been developed and implemented by the Municipality.
15. The Municipality agrees to take all steps necessary to comply with the federal cross-cutters applicable to a CWSRF loan.
16. The Municipality agrees to comply with OMB Circular A-133 of the Single Audit Act (aka Subpart F of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*), as applicable.
17. The Municipality will at all times comply with Section 513 of the Federal Water Pollution Control Act (33 U.S.C. Section 1372) regarding prevailing wage rates (“Davis-Bacon”).
18. The Municipality will at all times comply with all federal requirements applicable to the loan (including those imposed by the Water Resources Reform and Development Act of 2014 and related SRF Policy Guidelines) which the Municipality understands includes, among other, requirements that all of the iron and steel products used in the project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Municipality has

requested and obtained a waiver from the federal Environmental Protection Agency pertaining to the project or (ii) the appropriate state agency has otherwise advised the Municipality in writing that the project is exempt from the American Iron and Steel Requirement.

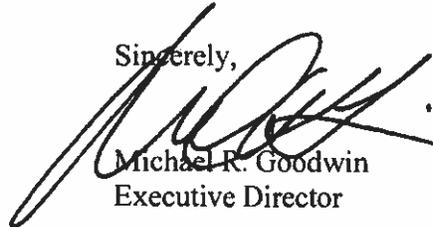
19. The Municipality will at all times comply with all record keeping and reporting requirements under the Clean Water Act, including any reports required by a Federal agency or the appropriate state agency such as performance indicators of program deliverables, information on costs and project progress. The Municipality understands that (i) each contract and subcontract related to the project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act may be a default hereunder resulting in repayment of the loan in advance of the maturity of the Bonds and/or other remedial actions.

The Bond Bank will charge an administrative fee of 1.5% of each debt service payment of the Municipality's loan. The MDEP will charge an administrative fee of 3.5% of each debt service payment. The interest cost on the long-term loan will be the then current municipal bond rates associated with "AAA" rated securities less the subsidy as described in the Intended Use Plan issued by MDEP and the Bank, with a minimum long-term rate set at 1%.

The approval of this application will expire one year after the date of this letter. After one year, applications will be subject to renewal by the mutual agreement of the Municipality and the Bank. The Maine Municipal Bond Bank reserves the right to reject the loan for any reason it deems reasonable. **If you agree to these terms, please sign the commitment letter in the space provided, make a copy for your records, and send the original back.**

I would like to take this opportunity to thank you for your participation with the Clean Water Revolving Loan Fund Program. Please be assured that every effort will be made to get the lowest total cost for your long-term capital needs. If you have any questions, or are interested in participating in the interim loan program, please do not hesitate to call this office.

Sincerely,



Michael R. Goodwin
Executive Director

Seen and Agreed to by

Paula A. Scott

Town of Hampden

Interim Town Manager

Cc: Dan Pittman, Esq., Eaton Peabody

UNITED STATES OF AMERICA
STATE OF MAINE
TOWN OF HAMPDEN, MAINE
2019 CLEAN WATER STATE REVOLVING FUND BOND ANTICIPATION NOTE

CLERK’S CERTIFICATE REGARDING ORGANIZATION, AUTHORIZATION,
INCUMBENCY, SIGNATURES, LITIGATION AND OTHER MATTERS

Paula A. Scott, duly appointed and qualified Clerk of the Town of Hampden, Maine (the “Town”), certifies as follows with respect to the issuance and sale of the above-referenced Note:

1. Set forth below are the duly chosen, qualified and acting officers of the Town authorized to execute and deliver the Town’s 2019 State Revolving Fund Bond Anticipation Note in the aggregate principal amount of \$754,000 (the “Note”) to the Maine Municipal Bond Bank to the repair and replacement of portions of Hampden’s sewer collection system and related costs on Western Avenue (the “Project”).

2. The Penobscot County Town of Hampden was incorporated in 1794 by an act of the Massachusetts legislature, a copy of which, with all amendments, is attached as Exhibit A. The Town has adopted a charter, a true, correct and complete copy of which, with all amendments to date, is attached as Exhibit B.

3. Except for the authorities cited above the Town has no ordinances or regulations pertaining to the issuance of notes, bonds or other obligations or governing the conduct of its business and the proceedings of its Town Council.

4. The following persons are, on the date hereof, all of the Town Council and officers of the Town and are authorized to execute the Note and other documents pertaining thereto. The Clerk has on file a document containing genuine examples of their signatures.

<u>OFFICER</u>	<u>OFFICE</u>	<u>TERM EXPIRATION</u>
David I. Ryder	Deputy Mayor	2020
Ivan McPike	Mayor	2021
Stephen L. Wilde	Councilor	2020
Dennis R. Marble	Councilor	2020
Terry McAvoy	Councilor	2020
Eric Jarvi	Councilor	2021

Shelby Wright

Councilor

2021

Paula Scott

Interim Town Manager,
Interim Treasurer

Appointed

5. Attached hereto as Exhibit C is a true, correct and complete copy of the notice of public hearing of the Town held on March 5, 2018, which was posted in the usual and customary place pursuant to state law not fewer than seven (7) days prior to the date of the meeting described therein. Attached hereto as Exhibit D is a copy of the published notice of the meeting which was published in the *Bangor Daily News*, a newspaper of general circulation in the Town, on February 26, 2018.

6. On March 5, 2018, at a public meeting duly called and held, the Town Council took comments on the Ordinance and the Project.

7. On March 19, 2018, by vote taken, the Town Council adopted the Ordinance. Notice of adoption of the Ordinance was published in the *Bangor Daily News* on March 23, 2018. A copy of the notice of ordinance adoption is attached as Exhibit E.

8. At a Special Referendum Election duly noticed and held on June 12, 2018, the voters of the Town approved Referendum Ballot Question 1, regarding adoption of the Ordinance, by a vote of 1083 in favor, 390 opposed, and 206 abstaining. A certified copy of the notice of the Special Referendum and of the results thereof is attached as Exhibit F.

9. The Town has not authorized, issued or assumed any debt which is outstanding pursuant to such proceedings for financing of the Project.

10. The borrowing anticipated hereby will not cause total debt of the Town to exceed statutorily imposed limitations on municipal debt, including those set out in 30-A M.R.S.A. sec. 5702 and 5703. The Town is not subject, by other law or contract, to any other limitations on its public debt

11. Attached hereto as Exhibit G is a specimen of the Note, which, except as to execution and authentication, is identical in all respects with the Note this day delivered to the Maine Municipal Bond Bank.

12. The Note has been duly authorized, executed and delivered by the Town and, once the Maine Municipal Bond Bank commits funds to the loan, the Note will be a valid and binding general obligation of the Town.

13. To the best knowledge of the undersigned, no legislation, ordinance, rule or regulation has been enacted or introduced or favorably reported for passage by any governmental body, department or authority of the State of Maine and no decision by any court of competent jurisdiction of such State has been rendered which would adversely affect the exemption of the

Note, the transfer thereof and the income therefrom, including any profits made on the sale thereof, from taxation (except for inheritance, succession and estate taxes) by or under the authority of the State of Maine.

14. There is no litigation, action, suit or proceeding or, to my knowledge after diligent inquiry, circumstance or inquiry or investigation at law or inequity before or by any public board or threatened against or affecting the Town or its property or any basis therefor, to restrain or enjoin the execution, issuance or delivery of the said Note or the levy or collection of the revenues pledged therefor to pay the interest on, or the principal of the said Note, or in any manner questioning the authority or proceedings for the execution, issuance and delivery of the said Note or for the collection of said revenues or relating to the said Note or affecting the validity thereof or the collection of said revenues, or wherein an unfavorable decision, ruling or finding would adversely affect the execution, issuance and delivery of the Note or the validity of the enforceability thereof, the financial condition of the Town or its ability to make payment of principal and interest on the Note as and when due.

15. Neither the lawful existence nor the boundaries of the Town nor the title of any of the present officers thereof to their respective offices is being contested.

16. The Town has not entered into any agreement to share its assessed valuation with any other municipality pursuant to Chapter 223, subchapter V of Title 30-A of the Maine Revised Statutes, as amended, and no such agreement is presently contemplated.

17. The Town has secured all permits, licenses and approvals necessary to the Project, and has established a revenue structure which will generate annually sufficient revenue to repay the principal and interest on the Bond and to pay reasonably anticipated costs of operating and maintaining the Project and the system of which it is a part, and has created a dedicated source of revenue for the repayment of the loan.

18. No proceedings, other than those of which an executed original or a certified copy has been delivered to Eaton Peabody, have been taken with respect to the Note.

IN TESTIMONY WHEREOF, this Certificate has been signed this 25th day of November 2019.

TOWN OF HAMPDEN

Paula A. Scott, Clerk

(SEAL)

UNITED STATES OF AMERICA
STATE OF MAINE
TOWN OF HAMPDEN
2019 CLEAN WATER STATE REVOLVING FUND BOND ANTICIPATION NOTE

CERTIFICATE OF INDEBTEDNESS

AS OF

NOVEMBER 25, 2019

I hereby certify that as of this date Town of Hampden has no outstanding indebtedness, except as listed below:

<u>Date Incurred</u>	<u>Original Amount</u>	<u>Outstanding</u>	<u>Creditor</u>
2000	\$1,800,000	\$270,000	MABB
2002	\$1,686,000	\$337,200	MABB
2006	\$1,500,000	\$631,583	MABB
2010	\$1,850,000	\$1,159,467	MABB
2011	\$1,825,000	\$1,186,250	MABB
2014	\$902,050	\$766,741	MABB
2018	\$258,810	\$244,688	First N'tnl
2018	\$262,936	\$228,100	Camden N'tnl

I further certify that the Town has not entered into any agreements to share any portion of its assessed valuation with another municipality, and that none are presently under consideration by the Town Council.

I further certify that as of November 25, 2019, the valuation of the Town of Hampden, Maine, as determined by the State Tax Assessor in accordance with Section 305 of Title 36, M.R.S.A., is \$665,150,000.

I further certify that the Town has not incurred debt which would cause total debt outstanding, excluding debt incurred for school purposes, storm or sanitary sewer purposes, or energy facility purposes or for municipal airport purposes to exceed 7 1/2% with last full state valuation. The Town has not set a lower percentage or amount by charter, ordinance or other act of the Town Council. The Town has not incurred debt for school purposes in an amount exceeding 10% of the last full state valuation or for storm and sewer purposes in an amount exceeding 7 1/2% of the last full state valuation. The Town does not have debt outstanding, which, together with the Bonds of this issue, would cause total debt outstanding to exceed 15% of last full state valuation. The Town has not set any lower percentage or amount of debt limit by

charter, ordinance or other act of Town Council or voters of the Town.

Dated: November 25, 2019

(SEAL)

Interim Treasurer

UNITED STATES OF AMERICA
STATE OF MAINE
TOWN OF HAMPDEN
2019 CLEAN WATER STATE REVOLVING FUND BOND ANTICIPATION NOTE

\$754,000

November 25, 2019

The Town of Hampden (hereinafter called the “Town”), in the State of Maine, promises to pay on or before November 24, 2020, to the Maine Municipal Bond Bank, or its registered assigns, the principal sum of

SEVEN HUNDRED FIFTY-FOUR THOUSAND DOLLARS

(\$754,000)

or so much of the foregoing amount that has been advanced hereunder, with interest on such advanced amount from the date of such advance on the unpaid principal amount hereof payable at maturity at a rate of 1.00%.

Principal and interest on this Note is payable at the Maine Municipal Bond Bank, 127 Community Drive, Augusta, Maine. Final payment of the principal of this Note shall be made upon surrender of this Note for cancellation.

This Note is issued by the Town under and by virtue of Title 30-A Section 5772 of the Maine Revised Statutes, as amended, and an Ordinance duly adopted by the Town Council of the Town on March 19, 2018 and by the voters of the Town at a Special Municipal Referendum Election duly called and held on June 12, 2018, to finance the repair and replacement of portions of Hampden’s sewer collection system and related costs on Western Avenue (the “Project”).

This Note is transferable only upon presentation to the Treasurer of the Town with a written assignment duly acknowledged or proved. No transfer hereof shall be effective unless made on the books of the Town kept by the Treasurer as transfer agent and noted herein by the Treasurer with a record of payments as provided hereon.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuing of this Note have been done, have happened and have been performed in regular and due form, as required by such law and votes. Principal payment of this Note is a general obligation of the Town, and to payment of principal and interest hereof, when due, the full faith and credit of the Town are irrevocably pledged.

IN WITNESS WHEREOF, the said Town of Hampden has caused this Note to be executed in its behalf by its Treasurer and countersigned by the Town Council, with its corporate seal impressed hereon and attested by its Clerk as of the 25th day of November 2019.

TOWN OF HAMPDEN

Treasurer

Countersigned by:

Councilor

Councilor

Councilor

Councilor

Councilor

(SEAL)

Clerk

CERTIFICATE OF REGISTRATION OF TRANSFERS

This Note is registered in the name of the transferee noted hereon on the books of the Town kept by the Treasurer as transfer agent.

<u>Name of Registered Owner or Transferee</u>	<u>Date of Registration of Transfer</u>	<u>Date to Which Interest Paid</u>	<u>Date To Aggregate Principal Paid</u>	<u>Balance of Principal due</u>	<u>Signature of Treasurer</u>
Maine Municipal Bond Bank	11/25/19	None Paid	None Paid	All	_____