ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO $650,000 IN GENERAL OBLIGATION BONDS AND NOTES OF THE TOWN OF LISBON, MAINE

BE IT ORDAINED, that, pursuant to Article 6.09 and 8.11(b)(2) of the Charter of the Town of Lisbon and Title 30-A, Section 5772 of the Maine Revised Statutes:

1. The Town of Lisbon, Maine (the “Town”) be and hereby is authorized to borrow an amount not to exceed Six Hundred and Fifty Thousand Dollars ($650,000) for the purpose of financing the design, permitting and construction of repairs, replacements and improvements to bridges and related roads and facilities located in or on Burrough Road in the Town (the “Project”);
2. The Town, acting through the Town Manager and Finance Director, be and hereby is authorized from time to time to issue and sell to an investment bank, a financial institution, the Maine Municipal Bond Bank, the United States of America, or any other person or persons (each a “Purchaser”) its general obligation bonds in an aggregate principal amount not to exceed Six Hundred and Fifty Thousand Dollars ($650,000) (the “Bonds”) for the purposes of paying for all or a portion of the Project;
3. The proceeds of the Bonds, including any investment earnings thereon, shall be appropriated for the costs of the Project;
4. The estimated period of utility of the Project is greater than twenty (20) years and that this declaration shall be conclusive determination thereof;
5. The Bonds shall be payable over a term not to exceed thirty (30) years from the date of issue of the Bonds and shall bear interest at a rate or rates to be determined by the Finance Director;
6. The Finance Director, with the approval of the Chairman of the Town Council and Town Manager, shall have the authority to fix the terms and conditions applicable to the Bonds, including their date(s), maturity or maturities, denomination(s), interest rate(s), place(s) of payment, form(s), and other terms, provisions and details, including to provide that the Bonds may be redeemable with or without premium prior to their final maturity, and to hire such financial advisors and other consultants, if any, as the Finance Director deems necessary to assist with the sale of the Bonds, all on such terms as the Finance Director determines to be in the Town’s best interest;
7. The Bonds shall be issued in registered form in the name of the Town, be executed and delivered by the Finance Director and countersigned by the Chairman of the Town Council and the Town Manager under the official seal of the Town, attested by the Town Clerk, and execution of the Bonds by the Chairman of the Town Council and Town Manager shall be a definitive demonstration of their approval of the terms thereof;
8. A tax levy shall be made for each year in which the Bonds are outstanding in an amount necessary to meet the payment of the annual serial installments of principal and the installment of interest due on the Bonds and such amounts shall be included in the tax levy for each year until all outstanding principal and interest due on the Bonds has been paid;
9. The Finance Director, with approval of the Chairman of the Town Council and Town Manager, be and hereby is authorized from time to time to issue and sell to a Purchaser its bond anticipation notes (the “Notes”) in an aggregate principal amount not to exceed Six Hundred and Fifty Thousand Dollars ($650,000) for the purpose of providing interim financing for the Project in anticipation of the issuance of the Bonds. Execution of such Notes by the Chairman of the Town Council and Town Manager shall be a definitive demonstration of their approval of the terms thereof. Each issue of Notes shall be subject to prepayment at any time but shall be paid within one year after the date of issue of such Notes. The Notes shall bear interest at a rate or rates to be determined by the Finance Director and interest shall be payable at maturity of the Notes;
10. The Town Manager and Finance Director be and hereby are authorized to make application on behalf of the Town to one or more purchasers for the purpose of requesting that a Purchaser purchase the Bonds, Notes or both, and to execute and deliver a loan agreement with a Purchaser in such form and substance as such Purchaser shall require, provided that, notwithstanding any other provision of this Ordinance, any such loan agreement may obligate the Town to accept a loan from such Purchaser and issue the Bonds or Notes to such Purchaser at a rate or rates of interest not to exceed the rate or rates determined by the officer signing the loan agreement and set forth in the loan agreement;
11. The Town may covenant and consent that the interest on the Bonds and Notes is includable, under the U.S. Internal Revenue Code of 1986, as amended, including regulations adopted and amended pursuant to such Code (the “Code”), in the gross income of the holders of the Bonds to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States are includable;
12. The Finance Director be and hereby is authorized, to the extent allowed by law, to designate the Bonds and Notes as “qualified tax-exempt obligations” of the Town pursuant to the requirements of the Code, including without limitation Section 265(b)(c)(3);
13. If and to the extent applicable and subject to appropriation, the Town shall take any and all actions required under the Code to maintain the tax-exempt status of the interest on the Bonds and Notes and to maintain the status of the Bonds and Notes as “qualified tax-exempt obligations” of the Town, and the Bonds and Notes shall be subject to such further terms and conditions as may be agreed to by the Finance Director to carry into effect the full purport and intent of this Ordinance;
14. The Town Council, Town Manager, Finance Director, Town Clerk and all other officers, officials, employees or agents of the Town be and each of them hereby is authorized to execute and deliver any and all instruments, agreements, certificates and other documents, and to take any and all actions, including affixing the seal of the City, as may be necessary, convenient or appropriate to carry out the full purport and intent of this Ordinance;
15. If any Town official, officer or employee whose signature may be required in connection with the issuance and sale of the Bonds or Notes is for any reason unavailable to approve and execute the required documents, the persons then acting in such capacity on behalf of said official, officer or employee, whether an assistant, a deputy or in some other capacity, is authorized to act on behalf of such official, officer or employee and to perform such acts themselves;
16. If any Town official, officer or employee who has signed, attested or sealed the Bonds or Notes shall cease to be such officers before the Bonds or Notes so signed, attested and sealed shall have been actually authenticated and delivered by the Town, such Bonds and Notes nevertheless may be authenticated, delivered and issued with the same force and effect as though the person or persons had not ceased to be such official, officer or employee;
17. All actions of the Town Council, Town Manager, Finance Director, Town Clerk, and all other officers, officials, employees or agents of the Town heretofore taken with respect to the issuance of the Bonds and Notes, including distribution of any requests for proposals, are in all respects hereby ratified, approved and confirmed.
18. The engagement of the law firm of Preti, Flaherty, Beliveau & Pachios LLP to act as bond counsel to the Town, to advise the Town with respect to the issuance of the Bonds and Notes, to prepare documentation and to render opinions as may be required by a purchaser is hereby ratified, approved and confirmed;
19. That a referendum election question regarding the ratification of this Ordinance be placed on the ballot for the November 7, 2023 municipal election, and that the Town Clerk is hereby authorized to take all actions required of the Town Clerk for the referendum question to be considered by the voters, and that a ballot title and referendum question in substantially the following form appear in the warrant for and on the ballot at said election, accompanied by a statement of the Town’s Finance Director, in accordance with Title 30-A, Section 5772 of the Maine Revised Statutes:

Shall an ordinance entitled Ordinance Authorizing The Issuance Of Up To $650,000 In General Obligation Bonds And Notes Of The Town Of Lisbon, Maine be approved and ratified?

1. This Ordinance and all authority granted hereunder, shall be conditioned upon ratification of this Ordinance by the voters of the Town, pursuant to Article 8.11(b)(2) of the Town Charter, and shall be effective as of the date of its ratification by the voters of the Town and certification by the Town Council.