

# CAPE ELIZABETH TOWN COUNCIL MINUTES

Special Meeting # 6-2006

Tuesday, April 4, 2006

7:00 p.m.

|                               |                      | Present | Absent                   |
|-------------------------------|----------------------|---------|--------------------------|
| David J. Backer, Chairman     | 2 Rugosa Way         | X       | 772-5845 ext 122 12/2006 |
| Cynthia Dill                  | 1227 Shore Road      | X       | 767-7197 12/2008         |
| Carolyn M. Fritz              | 1 Stirrup Road       |         | 767-3737 12/2006         |
| Mary Ann Lynch                | 2 Olde Colony Lane   | X       | 232-1048 12/2007         |
| Paul J. McKenney              | 5 Katahdin Road      | X       | 899-0045 12/2007         |
| Michael D. Mowles, Jr.        | 423 Ocean House Road | X       | 741-2552 12/2006         |
| Anne E. Swift-Kayatta         | 14 Stone Bridge Road | X       | 767-5754 12/2008         |
| Town Manager Michael McGovern |                      | X       |                          |
| Town Clerk Deborah Cabana     |                      | X       |                          |

Pledge of Allegiance to the Flag

Item# 75-2006 Sewer Project Bids

Moved by P. McKenney and Seconded by C. Dill

**Ordered the Cape Elizabeth Town Council authorize the Town Manager to sign bid awards for the central and southern portions of the Sewer Rehabilitation Plan and to re-bid in smaller portions the higher priorities for the northern section.**

**Central Portion: Low Bid-Dearborn Brothers Construction**

**\$2,325,401.00**

**Southern Portion: Low Bid-Gorham Sand and Gravel**

**\$1,292,027.95**

(6 Yes)

Item# 76-2006 Sewer Bond Resolutions

Moved by M. A. Lynch and Seconded by M. Mowles

**VOTED: That the \$5,400,000 in Bonds authorized by vote of the Town Council on May 9, 2005 (Item #170-04-05) be sold to the Maine Municipal Bond Bank.**

**VOTED: That \$1,890,000 of said Bonds be issued to the Maine Municipal Bond Bank pursuant to the terms of a certain Loan Agreement between the Town and the Maine Municipal Bond Bank substantially in the form presented to this meeting.**

**VOTED: That the Treasurer be authorized to execute and deliver said Loan Agreement on behalf of the Town.**

**VOTED: That \$3,510,000 of said Bonds be issued to the Maine municipal Bond Bank under the Bond Bank's State Revolving Loan Fund program pursuant to the terms of a Loan Agreement between the Town and the Maine Municipal Bond Bank substantially in the form presented to this meeting.**

**VOTED:** **That the Treasurer be authorized to execute and deliver said Loan Agreement on behalf of the Town.**

**VOTED:** **That the Bonds heretofore authorized shall have a final maturity not to exceed 21 years.**

**VOTED:** **That with respect to the Bonds issued through the State Revolving Loan Fund Program, the following resolutions required by Section C(4)(e) of the State of Maine Revolving Loan Fund Rules, Chapter 595, Department of Environmental Protection and the Bond Bank (the “SRF Regulations”), and governing any loan to be made to the Town under the State Revolving Loan Fund Program be and hereby are adopted:**

**(1) that a Project Account shall be created for the Projects which shall be separate from all other accounts of the Town. If operating revenues are to be used to retire the debt, a sub-account will be established.**

**(2) that the Project Account shall be maintained in accordance with standards set forth by the Maine Municipal Bond Bank and in accordance with generally accepted government account standards.**

**(3) that a final accounting shall be made to the Bond Bank of the total cost of the project upon completion of the Project performance certification as set out in Section G(3) of the SRF Regulations and the Town acknowledges that the Bond Bank reserves the right at its sole discretion to be provided with a cost certification of the Project as built.**

**(4) that an annual audit of the Town, prepared by a certified public accountant or licensed public accountant be provided to the Bond Bank for the term of the loan.**

**(5) that the Town shall maintain insurance coverage on the Project in an amount adequate to protect the Bond Bank’s interest for the term of the loan with the Bond Bank named as loss payee.**

**(6) that the Town will comply with any special conditions specified by the Department of Environmental Protection’s environmental determination until all financial obligations to the State have been discharged.**

**(7) that the Town certify to the Bond Bank that it has secured all permits, licenses and approvals necessary and that it has a dedicated source of revenue for repayment.**

**(8) that the Town establish a rate, charge or assessment schedule in order to pay principal and interest. Such rate change or schedule shall provide total operations and debt service coverage at a level at which the coverage for the Bond Bank is sufficient.**

**(9) that the Town must demonstrate the ability to pay reasonably anticipated costs of operating and maintaining the financed Project.**

**(10) that the Town abide by the SRF Regulations, as revised and amended and relevant State statutes of the State of Maine.**

**(6 Yes)**

**Adjournment:**

Moved by M. Mowles and Seconded by A. Swift-Kayatta

**Ordered the Cape Elizabeth Town Council adjourn at 7:18 p.m.**

**(6 Yes)**

A True Copy Attest:

Deborah S. Cabana  
Town Clerk

Minutes approved by the Cape Elizabeth Town Council on May 15, 2006