

CITY OF GARDINER

ORDER 05-05 _____

General Obligation Bond Authorization

BE IT ORDERED, that (1) a sum not to exceed \$540,900 be and hereby is appropriated for permanent public improvements to the City of Gardiner including but not limited to the full depth road reconstruction, storm drain and sewer replacement and new sidewalks in the Northwest Quadrant of the City of Gardiner (the "Project"). The estimated period of utility of the foregoing public improvements is hereby declared to be in excess of thirty (30) years.

That (2) to meet the aforesaid appropriation, the City Treasurer is hereby authorized and directed under and pursuant to the constitution and laws of the State of Maine, Title 30-A, §5772 of the Maine Revised Statutes, as amended, Section 8 of Article VII of the City Charter and any other applicable enabling authority to prepare, issue and sell to the United States of America, Rural Utilities Service or other lending institution at one time or from time to time, as one or more separate issues, general obligation bonds or notes of the City of Gardiner in an aggregate principal amount not exceeding \$540,900 to finance the Project. The date, denominations, call provisions, interest rate or rates and all other particulars as to form, issue and sale of each issue of said bonds or notes shall be determined by the City Treasurer and by the Mayor provided that each issue of said bonds or notes shall be signed and delivered by the City Treasurer and the Mayor, and shall mature in annual, serial and approximately equal installments, the first such installment to be payable not more than two (2) years after the date of said bonds or notes and the last installment to be payable not later thirty (30) years after such date. The bond issue authorized hereby may be consolidated for purpose of sale and issuance with any other authorized bond issue or issues, provided that the bonds of each component of the consolidated bonds shall mature over a term not longer that the term permitted by the City Charter for such component.

That (3) an amount sufficient for the payment of the annual installments of principal and interest on said bonds or notes shall be included in **the tax levy** each year during which any of such bonds or notes shall be outstanding until the debt represented by said bonds or notes is extinguished.

That (4) the City Treasurer, with the approval of the Mayor, be and hereby is authorized to borrow at one time or from time to time in anticipation of the bonds or notes to be issued as herein authorized, when and as funds may be required, a sum or sums not exceeding the aggregate principal amount of said bonds or notes, and to prepare, issue and sell at public or private sale, the temporary note or notes of the City therefor and to renew the same as deemed advisable, provided that any such temporary note or renewal shall be paid within the maximum term permitted by law therefor. The Mayor and City Treasurer are hereby authorized and directed, subject to the provisions of the Order and

the applicable provisions of law, to sign and deliver and determine the date or dates of the note or notes, the interest rate or rates they shall bear and all other details of such notes or renewal notes not herein provided for and do all things necessary and proper to effectuate the issue and sale thereof.

That (5) any unused proceeds remaining from bonds, notes, or anticipatory obligations issued to fund the capital projects described above shall be applied, after the completion of such projects, to the outstanding principal amount of such bonds, notes, or anticipatory obligations.

That (6) The City Treasurer is hereby authorized to execute a Loan Resolution with the United States of America or other lender in such form as may be required by the Bond Bank or other lender and approved by the Treasurer.

That (7) all actions heretofore taken by the municipal officers of the City of Gardiner relating to the selling of the City's general obligation bond or notes authorized hereby be and they hereby are ratified, approved and confirmed

That (8) pursuant to the requirements of the Internal Revenue Code of 1986, as amended, the City designates the bonds and the notes to be "qualified tax exempt obligations" of the City, and that the City shall not issue in 2005 an aggregate total amount of qualified tax exempt obligations in excess of \$10,000,000. Further, the City does not reasonably expect to issue qualified tax exempt obligations in an amount in excess of \$5,000,000 during 2005.

That (9) the City 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 Bond and Note, and to maintain the status of the bonds and the notes as Aqualified tax exempt obligations≡ of the City, and that the bonds and the notes may be subject to such further terms and conditions as may be agreed to by the Mayor and the Treasurer of the City to carry into effect the full intent of this order.

That (10) the law firm of Eaton Peabody is hereby designated as bond counsel for the City to advise the City with respect to the issuance and sale of the bonds and the notes, and to prepare documents and render opinions as may be necessary or convenient for the purpose.

That (11) the City Council, municipal officers and officials of the City are hereby authorized to execute all documents and certificates, and to take all action, including affixing the seal of the City, as may be necessary or convenient to carry out the full intent of this order, and to accomplish the Project and issue the bonds or the notes, including approval and signing of construction contracts and other agreements obligating the City, and to accept federal or state grants for the Project.

That (12) the City of Gardiner intends to finance, on an interim basis, certain Project expenditures from the _____ Fund, which costs are reasonably expected to be

