

LEWISTON CITY COUNCIL SPECIAL MEETING & WORKSHOP AGENDA

Tuesday, March 25, 2014

City Council Chambers

6:00 p.m. Special Meeting

Pledge of Allegiance to the Flag.
Moment of Silence.

SPECIAL MEETING

1. Public Hearing on a Bond Issue to issue refunding bonds for the City's General Obligation Bond issued in 2007.
2. Resolve - Rescinding the FY 2014 \$282,000 authorization to fund storm drains for road rehabilitation work projects.

WORKSESSION

Overview of the City Administrator's Proposed Fiscal Year 2015 Budget.

EXECUTIVE SESSION

Executive Session to discuss Real Estate Negotiations of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

LEWISTON CITY COUNCIL

MEETING OF MARCH 25, 2014

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 1

SUBJECT:

Public Hearing on a Bond Issue to issue refunding bonds for the City's General Obligation Bonds issued in 2007.

INFORMATION:

The Finance Department has done an analysis of the City's current debt to determine if it would be advantageous to refund any of the City's current outstanding obligations, and the Finance Director is recommending that the City issue refunding bonds for the General Obligation Bonds issued in 2007.

Finance Director Heather Hunter will be present to address any questions.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

ETAB/KMM

REQUESTED ACTION:

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To conduct a Public Hearing to receive citizen input, and to approve the Order authorizing the issuance of refunding bonds in the amount of \$9,290,000 for the purpose of refunding the City's General Obligation Bonds Series A dated November 1, 2007, in the amount of \$11,026,000.



City of Lewiston Maine
City Council Order
March 25, 2014



Order, Authorizing the Issuance of Refunding Bonds in the Amount of \$9,290,000 for the Purpose of Refunding the City's General Obligation Bonds Series A Dated November 1, 2007 in the Amount of \$11,026,000.

Be It Ordered by the City Council of the City of Lewiston that

the Mayor and the City Treasurer are authorized to issue refunding bonds in a principal amount not to exceed \$9,290,000 in order to refund all or part of the principal of and interest on the City's General Obligation Bonds Series A dated November 1, 2007 and to pay any redemption premiums thereon and costs of issuance;

Be It Further Ordered that the City Council instruct the Finance Director to advertise for bids for the bonds or negotiate the sale of bonds with any qualified purchaser; to award the loan; and to employ Edwards Wildman Palmer LLP to furnish the legal opinion for the same;

Be It Further Ordered that the bonds shall be signed by the City Treasurer and Mayor;

Be It Further Ordered that the date, maturities, denominations, interest rate or rates, place or places of payment, form or other details of the bonds and of the provisions for the sale thereof shall be determined by the Finance Director;

Be It Further Ordered that the bonds hereunder may be subject to call for redemption or refunded on such terms as may be determined by the Finance Director.



City of Lewiston
Finance Department
 Heather A. Hunter, Finance Director

TO: Mayor Macdonald and Members of the City Council
FROM: Heather Hunter, Finance Director
SUBJECT: **Refunding General Obligation Bonds Package**
DATE: March 5, 2014

In conjunction with the upcoming 2014 Lewiston Capital Improvement Plan (LCIP) general obligation bond sale, an analysis was made of the city's outstanding debt to determine if it would be advantageous to refund any of the City's current outstanding obligations.

Given current interest rates, the City has one former bond issue that would be lucrative to advance refund. The following table outlines pertinent information regarding the proposed refunding issue. In all cases, the refinancings are projected to generate an adequate present value savings to warrant refunding the callable portion.

Bond Issue	Par Amount	Current Rate	Projected Rate	PV Savings	FV Savings
2007	\$11,026,000	4%-4.25%	2.49%	\$789,962	\$925,059

The targeted sale date for the 2014 LCIP bonds and the refunded bonds is April 30, 2014. Currently, we are anticipating an \$18,780,625 bond sale which includes a modified 2014 LCIP, the unissued but authorized 2012 Greenway Project, and this refunding. As we move closer to the sale date, the City Administrator and I will review current market rates to confirm the prudence of the refunding as well as the viability of each LCIP project to meet the Internal Revenue Service's 24-month spend down requirements. The details of the 2014 portion of the issue are listed below. We anticipate that the authorizations listed in bold will not be issued as bonds at this time due to the status and timing of those projects.

Project	Amount
911 Server Virtualization Phase III	49,500
Wayfinding Signs	50,000
Demolition Bates Mill #5	2,500,000
Demolition Pettingill School	130,000
Hardware Replacement	132,600
Software Replacement	221,225
Exterior Energy Improvements	200,000
Road Construction	350,000
Road Rehab	630,000
Walnut Street	360,000
PW Storage & Improvements	310,000
Main St. Traffic Imp. - Local	176,300

Don Rioux Field - Art. Turf	187,000	
Track Resurfacing	50,000	
Marcotte Playground Imp.	75,000	
Total General Fund Requests	5,421,625	
Don Rioux Field - Art. Turf	187,000	
Track Resurfacing	50,000	
LHS Waterproof Exterior Walls	69,000	
District Classroom Door Locks	104,000	
Total School Requests	410,000	
LA Treatment Program	250,000	
Distribution Main Replacement	1,713,000	
Tank Mixing System	100,000	
Total Water Fund Requests	2,063,000	
Sanitary Sewer Main Rehabilitation	556,000	
Interceptor Inspection & Rehabilitation	200,000	
Inflow/Infiltration Removal Program	450,000	
Jepson Brook Drainage Area	1,000,000	
Oak Street Sewer Separation	200,000	
CSO 15 Year Master Plan	75,000	
Total Sewer Fund Requests	2,481,000	
Hart Brook Water Quality Restoration	150,000	
Storm Drain for Road Rehab. Projects	282,000	Rescinding
Belleview Ave. Drainage Improvements	75,000	
Gould Road Storm Drain Repair	150,000	
Jepson Brook Channel Study	100,000	
Jepson Brook Drainage Area	1,000,000	
Oak Street Sewer Separation	200,000	
CSO 15 Year Master Plan	75,000	
Total Stormwater Fund Requests	2,032,000	
Total 2014 LCIP Requests	12,407,625	
Less: Project on hold & duplicated	(3,691,000)	All bolded items
2012 Lewiston Greenway Project	464,000	AU
Total Issue	9,180,625	

You will notice in the above list, the \$282,000 appropriated for Storm Drain Road Rehab. Project is noted as "rescinding". In reviewing all project authorizations, it was discovered that this amount was included in both the LCIP as a bond project and the approved operating budget. I am recommending rescinding the project.

It is recommended that the attached resolutions be authorized by the City Council.

LEGAL AD

**PUBLIC NOTICE
CITY OF LEWISTON
REFUNDING BONDS**

Notice is hereby given in accordance with Article VI, Section 6.14 of the City Charter of a Public Hearing before the City Council to be held on the authorization to issue general obligation refunding bonds in an amount not to exceed \$9,290,000 to refund any or all of the outstanding portion of General Obligation Bonds Series A of the City, dated November 1, 2007. The public hearing will be held in the Council Chambers, Lewiston City Hall, 27 Pine Street, on **Tuesday, March 25, 2014, at 6:00pm**, or as soon thereafter as it may be heard. Any interested persons may appear and will be given the opportunity to be heard before final action is taken.

The City of Lewiston is an EOE. For more information, please visit our website at www.lewistonmaine.gov and click on the Non-Discrimination Policy.

Kathleen M. Montejo, MMC
City Clerk

LEGAL AD - SUN JOURNAL - Friday, March 14, 2014

TO: LSJ Advertising Dept. 784-3062 fax
FROM: Lewiston City Clerk's Office 784-2959 fax

Thank you.

Please bill the City Clerk's Dept account.

LEWISTON CITY COUNCIL

MEETING OF MARCH 25, 2014

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 2

SUBJECT:

Resolve - Rescinding the FY2014 \$282,000 authorization to fund storm drains for road rehabilitation work projects.

INFORMATION:

In last year's LCIP, the Council approved the authorization of bond funds to install storm drains for road rehabilitation projects. Subsequently, these funds were also appropriated in the storm water operating budget as well. Since the funds are available in the operating budget the original bonded project is no longer needed and staff is asking the Council to rescind the authorization for the bond issue.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

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To approve the Resolve rescinding the FY2014 \$282,000 authorization to fund storm drains for road rehabilitation work projects.



**City of Lewiston Maine
City Council Order
March 25, 2014**



RESOLVE, Rescinding the FY2014 \$282,000 Authorization to Fund Storm Drains for Road Rehabilitation Work Project.

WHEREAS, in the FY2014 LCIP, the City Council approved \$282,000 to fund the installation of storm drains for all of the approved FY2014 road rehabilitation projects; and

WHEREAS, subsequently, these funds were also appropriated in the FY2014 Storm Water Operating Budget; and

WHEREAS, since funds are available in the operating budget for this purpose, the original 2014 bonded project is no longer needed;

NOW, THEREFORE, BE IT RESOLVED by the CITY COUNCIL of the CITY of LEWISTON, that the FY2014 \$282,000 bond authorization to fund Storm Drains for Road Rehabilitation Work is hereby rescinded.

LEWISTON CITY COUNCIL
MEETING OF MARCH 25, 2014

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. Ex Sess

SUBJECT:

Executive Session to discuss Real Estate Negotiations of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

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To enter into an Executive Session, pursuant to MRSA Title 1, section 405(6)(c), to discuss Real Estate Negotiations, of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.