STATE OF MAINE
COUNTY OF YORK
CITY OF SACO

I. CALL TO ORDER – On Monday, August 3, 2015 at 7:00 p.m. a Council Meeting was held in the City Hall Auditorium.

II. ROLL CALL OF MEMBERS – Mayor Donald Pilon conducted a roll call of the members and determined that the Councilors present constituted a quorum. Councilors present: David Precourt, Leslie Smith Jr., Thomas Roughan, Kevin Roche, Arthur Tardif, Eric Cote and Nathan Johnston. Interim City Administrator Cheryl Fournier was also present.

III. PLEDGE OF ALLEGIANCE

IV. GENERAL

➢ LIFE SAVING AWARD – CORPORAL KENNETH FOSS, SACO POLICE DEPARTMENT

On April 14, 2015 shortly after 9:00 p.m., Saco Officer Ken Foss responded to I-195 for a traffic accident that resulted in the arrest of one of the operators who was operating under the influence. While hand-cuffed and en-route back to the Police Station the suspect began to have severe problems breathing and as he had begun to vomit and aspired his ability to breath. Corporal Kenneth Foss driving the cruiser quickly removed the unconscious male from the rear seat and cleared his airway and positioned him to facilitate his breathing. He then attached an automated external defibrillator also know as an AED to the subject. Corporal Foss then initiated CPR as no shock was called for at that time. When rescue arrived their EKG showed a flat line, no cardio activity. But they were able to resuscitate and establish a heartbeat and transport the patient to Southern Maine Medical Center where he survived. Had Corporal Foss not recognized the stress this person was having and cleared his airway and began CPR the person would have almost certainly not survived. We recognize and applaud Corporal Foss’s timely actions that night and congratulate him on a job well done. So given this day August 3, 2015 signed as the Mayor Donald Pilon of the City of Saco I congratulate you have again a job well done.

➢ RECOGNITION OF 25 YEARS OF SERVICE – SERGEANT BRUCE COTE, SACO POLICE DEPARTMENT

Bruce began his career with us in July 1990. He was working that summer in the Town of Ogunquit as a Reserve Officer as they were known back than as the summer special. We interviewed Bruce for an opening in patrol and he struck us as quiet but earnest and committed to a career in law enforcement. He had served honorably in the Marine Corp. for 4 years and his served him well for his chosen career. Bruce was assigned to a field training officer and performed well functioning as a patrol officer. In 1996 Bruce applied for and was selected as the first Thornton Academy School Resource Officer which was a position he held for the next 3 years. He did well in that environment and was popular with both the staff and the students which was no small feat. Bruce was the original “O.C.” a nickname the students first conferred upon him and then Officer Carrier. In Bruce’s personal folder is a Certificate of Recognition Bruce received at Thornton Academy and a number of statements from students. Bruce was also selected for the tactical team which is a sign he was well thought of and trusted by his co-workers and yes, Bruce did keep the team entertained with his unique sense of humor. It is important to keep things light and even especially when you are going into a tense situation. Bruce was promoted to Corporal in 1999 and made Sergeant in June 2002 where he performed the duties of shift supervisor for the next 10 years. He is currently the Administrative Sergeant overseeing more than 3,000 hours of training annually for the department as well as managing building contracts and facility maintenance. Bruce has been recognized several times by the Police Dept. by receiving several commendation memos and the spirit award for his work in recognizing fellow employees and very recently Bruce received a special commendation for going above and beyond the updating of the dispatch center. Of particular note though are the comments from citizens that Bruce has interacted with over the years. He is described by the people he serves as calm, professional and positive, comments that we fully agree with. The citizens of Saco are well served by having employees of the caliber of Bruce Cote and we celebrate with Bruce the attainment of 25 years of service.

Mayor Pilon presented a plaque on behalf of the city, City Council and the citizens of Saco to Bruce Cote, Sergeant
of the Saco Police Department in grateful recognition for his 25 years of outstanding service and dedication to the City of Saco and its citizens, dated July 30, 1990 – July 30, 2015.

➢ **RECOGNITION OF 30 YEARS OF SERVICE – RICHARD LAMBERT, INSPECTIONS DEPARTMENT**

Dick Lambert joined the City of Saco Building Inspection Department on July 29, 1985. During this time as the Code Enforcement Officer, Dick has been recognized as being an ethical leader and has been involved in many professional boards including holding three offices as President of the MBOIA and currently acting as the Secretary of the ESBOF and achieving a lifetime Certification as a Municipal Code Enforcement Officer, acting as the Chairman of the ICC Code Panel for the Property Maintenance Code and also as a ICC Certified Building Officer. Dick has done an outstanding job during the last 30 years and we are thankful for his many years of service to the City of Saco. Mayor Pilon congratulated Dick and presented him with a plaque.

➢ **RECOGNITION OF 30 YEARS OF SERVICE – STEPHEN KERNER, SACO FIRE DEPARTMENT**

Fire Chief John Duross stated that it was an honor to recognize Stephen Kerner for 30 years of dedicated service to the Saco Fire Department. Steve was hired as a full-time fire fighter on July 7, 1985. Previously to that Steve had experience working in EMS in Old Orchard Beach and private services. Appointed to senior man on D shift in 1997 and to Lieutenant in 2003. For 30 years Steven has proudly served the citizens of Saco and has time and time again demonstrated his commitment and dedication to the fire service. Steve continues to work on D shift and is currently serving as a Senior Firefighter Driver Operator of Engine #3. He is still actively involved in EMS serving the citizens of Saco. Thirty years is a milestone that very few will achieve and Saco is fortunate to have the services of Steve as an employee. Fire Chief Duross congratulated on his 30 year plateau and thanked him for his many contributions to the City of Saco and the Saco Fire Department.

Mayor Pilon presented Steve with a plaque that read: Firefighter A EMT First Responder Saco Fire Department. In grateful recognition of his 30 years of outstanding service and dedication to the City of Saco and the Saco Fire Department and its citizens dated July 7, 1985 to July 7, 2015.

V. PUBLIC COMMENTS

There were no public comments this evening.

VI. AGENDA

A. **ENERGY AND INFRASTRUCTURE BOND QUESTIONS – (PUBLIC HEARING)**

Over the past year, several capital infrastructure and energy improvement projects have been discussed for inclusion in referendum questions to the citizens of Saco. Of the 12 to 15 projects discussed for potential inclusion in the bond, three distinct areas of need are of highest priority. They are:

- Transfer Station and Recreational Infrastructure Improvements
- Energy Efficiency Upgrades to City and School Facilities
- Lincoln Street Reconstruction and Utility Rehabilitation

For a November public referendum, these infrastructure and energy bond questions will require a public hearing in August 2015 to be put on the ballot for the scheduled November 2015 election.

Councilor Cote moved, Councilor Johnston seconded “The City of Saco hereby moves to open the Public Hearing for the Energy and Infrastructure Capital Improvement Bond Questions:”

**Question 1:** ‘Order Authorizing City of Saco to Borrow an Amount not to exceed $870,000 for transfer station relocation and recreational infrastructure improvements.’

**Question 2:** ‘Order Authorizing City of Saco to Borrow an Amount not to exceed $450,000 for energy efficiency improvements to City and School facilities.’
Question 3: ‘Order Authorizing City of Saco to Borrow an Amount not to exceed $995,000 for Lincoln Street reconstruction and improvements.’

There were no public comments.

Councilor Cote moved, Councilor Johnston seconded to close the Public Hearing for the Energy and Infrastructure Capital Improvement Bond Questions, and Be it Ordered that the City Council set the Second and Final Reading for September 8, 2015. Further move to approve the Order. The motion passed with seven (7) yeas.

**Order Authorizing the City of Saco to borrow an amount not to exceed $870,000 for transfer station relocation and recreational infrastructure improvements**

BE IT ORDERED BY THE CITY COUNCIL
OF THE CITY OF SACO, MAINE IN CITY COUNCIL ASSEMBLED:

1. **Bonds Authorized.** Pursuant to Maine law, including 30-A M.R.S.A. 5772 and Section 6.15 of the Charter of the City of Saco and all other authority thereto enabling, there is hereby authorized and approved the issuance of general obligation bonds (the “Bonds”) of the City, and temporary notes in anticipation thereof (the “Notes”), in an aggregate principal amount not to exceed $870,000. The Bonds shall be designated “City of Saco, Maine, General Obligation Bonds” and any notes in anticipation thereof shall be designated “City of Saco General Obligation Bond Anticipation Notes.” The proceeds of the Bonds and any Notes shall be used to finance the costs of transfer station relocation and recreational infrastructure improvements, including relocation of the existing transfer station to separate it from recreational facilities and to address safety concerns, and rebuilding of tennis courts, the access road to ball fields and drainage improvements to fields (the “Project”) and reasonably related costs, costs of issuance of the Bonds and any Notes, and capitalized interest prior to and during construction of the improvements. The City Council shall make all determinations regarding said Project.

2. **Period of Utility.** The estimated period of utility of the Project is twenty-five (25) years.

3. **Tax Levy.** Pursuant to Section 6.15 of the Charter of the City of Saco, an amount necessary to
meet the annual payments of principal and interest on the Bonds (and any Notes not paid from the proceeds of Bonds issued hereunder) shall be included in the tax levy of the City each year until the debt represented by said Bonds and Notes is extinguished.

4. **Details of Bonds.** To the extent not inconsistent with this Order and the Charter of the City, the discretion to fix the date(s), maturity(ies) of the Bonds and/or Notes, denomination(s), interest rate(s), place(s) of payment, form(s) and other details of said Bonds and Notes, and to provide for the sale thereof, including execution of said Bonds and Notes on behalf of the City of Saco and delivery against payment therefore, is hereby delegated to the Treasurer and Mayor of the City of Saco. The Bonds shall be payable within a fixed term of years to be determined by the Mayor and Treasurer, not to exceed twenty (20) years, and Notes in anticipation of Bonds shall not exceed three (3) years from the date of the initial issuance of any Notes. Bonds shall be made payable as pertains to interest semi-annually and as pertains to principal in equal, annual serial installments, except that: (1) each year's installments may be adjusted to the nearest multiple of $5,000; and (2) the amount of each year's installment may vary provided that it is equal to or greater than the installment due and payable in any succeeding year. The Bonds and any Notes shall contain such terms and provisions, not inconsistent herewith, as the Treasurer and Mayor may hereafter determine. All determinations by the Mayor and Treasurer shall be conclusively evidenced by their execution of the Bonds or Notes. The Treasurer and Mayor are authorized to provide that any of the Bonds and Notes be made callable, with or without premium, prior to their maturity. Each Bond or Note issued hereunder shall be signed by the Treasurer and countersigned by the Mayor. The Mayor and Treasurer are authorized to select a financial advisor and/or an underwriter for the Bonds and Notes, and the Mayor and Treasurer are authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith.

5. **Sale of Bonds.** The Treasurer is authorized to prepare, or cause to be prepared, a Notice of Sale and/or a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and/or Notes, such Notice of Sale, Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer. Distribution of the Notice of Sale and/or Preliminary Official Statement and the Official Statement in the name of and on behalf of the City in connection with offering the Bonds and/or Notes is hereby authorized and approved. The Treasurer is authorized to covenant, certify and agree, on behalf of the City, for the benefit of the holders of the Notes or Bonds, that the City will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

6. **Alternate Method of Sale.** In lieu or as an alternative to the method of offering of the Bonds described in section 5 above, the Treasurer is authorized to file an application for sale of the Bonds to the Maine Municipal Bond Bank (the “Bank”), and the Treasurer and Mayor are hereby authorized and empowered in the name and on behalf of the City to borrow up to $870,000 from the Bank pursuant to a Loan Agreement between the City and the Bank providing for a loan from the Bank in the principal amount not in excess of $870,000, and the Treasurer is authorized and empowered, in the name and on behalf of the City, to execute and deliver, under the seal of the City, attested by its Clerk, a Loan Agreement to be in the usual and ordinary form utilized by the Bank, which is hereby approved, and to contain such other terms and provisions, not contrary to the general tenor hereof, as the Treasurer may approve, with her approval to be conclusively evidenced by her execution thereof; the Treasurer and Mayor are further authorized to issue, sell and deliver to the Bank as evidence of the aforesaid loan of up to $870,000 and against payment therefor, Bonds in a principal amount not to exceed $870,000, such Bonds to mature and be payable on such dates and in such amounts as approved by the Treasurer and Mayor; to bear interest at the rates specified by the Bank, which rates shall be subject to approval by the Treasurer and Mayor, such approval to be conclusively evidenced by their execution and delivery of such Bonds, payable semi-annually; to be issued as a single, fully registered Bond in the an amount not to exceed $870,000 maturing and payable in installments as aforesaid; to be signed by the Treasurer and countersigned by the Mayor, and sealed with the seal of the City, attested to by its Clerk; and the Treasurer, Mayor and other proper officials of the City be, and hereby are, authorized and empowered in its name and on its behalf, to do or cause to be done all such acts and things as may be deemed necessary or desirable in order to effect the borrowing from said Bank of up to $870,000 and the issue and
delivery to said Bank as evidence thereof of a corresponding principal amount of the Bonds of the City as authorized in this Order.

7. **Tax Exempt Bonds.** The Treasurer is authorized to covenant and certify on behalf of the City that: (a) no part of the proceeds of the issue and sale of the Notes or the Bonds authorized to be issued hereunder shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Notes or Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), (b) no part of the proceeds of the issue and sale of such Notes or Bonds (including any notes and bonds in renewal thereof) shall be used, directly or indirectly, in such manner which would cause the Notes or Bonds to be "private activity bonds" within the meaning of Section 141 of the Code, (c) all required information reports shall be filed and any rebate due to the United States in connection with the issuance of said Bonds and Notes shall be paid, and (d) the City shall take all other lawful actions necessary to insure the interest on the Bonds and Notes will be excluded from the gross income of the owners thereof for purposes of federal income taxation and to refrain from taking any action which would cause interest on the Bonds or Notes to become includable in the gross income of the owners thereof. The Treasurer is also authorized and empowered to designate the Bonds and/or Notes as qualified tax-exempt obligations for purposes of Section 265(b) of the Code, to the extent the election may be available and advisable as determined by the Treasurer.

8. **Documents and Certificates.** The Mayor, Treasurer, City Clerk and other appropriate officials of the City of Saco are authorized to execute and deliver on behalf of the City such other documents and certificates as may be required in connection with such Bonds and Notes, and to do or cause to be done all acts and things, not inconsistent herewith, as may be necessary or appropriate in order to effect the issuance, execution, sale and delivery of the Bonds and any Notes, and to carry out the provisions of this Order in connection with the Project.

9. **Appropriation.** The sum of $870,000 is hereby appropriated to finance the Project costs, such amount to be raised by the issuance of the Bonds and/or Notes of the City. In addition, the investment earnings on the proceeds of the Bonds and Notes, if any, and the excess proceeds of the Bonds and Notes, if any, are hereby appropriated for the following purposes, such proceeds to be held and applied in the following order of priority: (a) to any Project costs in excess of the principal amount of the Bonds or Notes; and (b) in accordance with applicable terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered in connection with the sale of the Bonds or Notes.

10. **Reimbursement.** This Bond Order shall constitute the City's declaration of official intent within the meaning of Treasury Regulation 1.150-2 to pay, on an interim basis, costs of the Project in an amount up to the principal amount of the Bonds to be issued, which costs the City reasonably expects to reimburse with proceeds of the Bonds or Notes.

11. **Referendum Vote.** Pursuant to Section 6.15 of the Charter of the City, the following question shall be submitted to the voters of the City of Saco for ratification or rejection at a referendum vote to be held on June 9, 2015: Shall the Order of the City Council of the City of Saco entitled “Order Authorizing the City of Saco to borrow an amount not to exceed $870,000 for transfer station relocation and recreational infrastructure improvements” be ratified and approved?

12. **City Clerk.** A copy of this order shall be filed with the City Clerk.

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**Order Authorizing the City of Saco to borrow an amount not to exceed $450,000 for energy efficiency improvements to City and School facilities**

BE IT ORDERED BY THE CITY COUNCIL
OF THE CITY OF SACO, MAINE IN CITY COUNCIL ASSEMBLED:

1. **Bonds Authorized.** Pursuant to Maine law, including 30-A M.R.S.A. 5772 and Section 6.15 of the Charter of the City of Saco and all other authority thereto enabling, there is hereby authorized and approved the issuance of general obligation bonds (the “Bonds”) of the City, and temporary notes in anticipation thereof (the
“Notes), in an aggregate principal amount not to exceed $450,000. The Bonds shall be designated “City of Saco, Maine, General Obligation Bonds” and any notes in anticipation thereof shall be designated “City of Saco General Obligation Bond Anticipation Notes.” The proceeds of the Bonds and any Notes shall be used to finance the costs of energy efficiency improvements to City and School facilities, including HVAC replacement with energy efficient system at the police department, HVAC replacements and upgrades at the Middle School and the Burns School and energy LED lighting, with prioritized conversion to LED lighting at schools and public spaces and facilities (the “Project”) and reasonably related costs, costs of issuance of the Bonds and any Notes, and capitalized interest prior to and during construction of the improvements. The City Council shall make all determinations regarding said Project.

2. Period of Utility. The estimated period of utility of the Project is twenty-five (25) years.

3. Tax Levy. Pursuant to Section 6.15 of the Charter of the City of Saco, an amount necessary to meet the annual payments of principal and interest on the Bonds (and any Notes not paid from the proceeds of Bonds issued hereunder) shall be included in the tax levy of the City each year until the debt represented by said Bonds and Notes is extinguished.

4. Details of Bonds. To the extent not inconsistent with this Order and the Charter of the City, the discretion to fix the date(s), maturity(ies) of the Bonds and/or Notes, denomination(s), interest rate(s), place(s) of payment, form(s) and other details of said Bonds and Notes, and to provide for the sale thereof, including execution of said Bonds and Notes on behalf of the City of Saco and delivery against payment therefore, is hereby delegated to the Treasurer and Mayor of the City of Saco. The Bonds shall be payable within a fixed term of years to be determined by the Mayor and Treasurer, not to exceed twenty (20) years, and Notes in anticipation of Bonds shall not exceed three (3) years from the date of the initial issuance of any Notes. Bonds shall be made payable as pertains to interest semi-annually and as pertains to principal in equal, annual serial installments, except that: (1) each year's installments may be adjusted to the nearest multiple of $5,000; and (2) the amount of each year's installment may vary provided that it is equal to or greater than the installment due and payable in any succeeding year. The Bonds and any Notes shall contain such terms and provisions, not inconsistent herewith, as the Treasurer and Mayor may hereafter determine. All determinations by the Mayor and Treasurer shall be conclusively evidenced by their execution of the Bonds or Notes. The Treasurer and Mayor are authorized to provide that any of the Bonds and Notes be made callable, with or without premium, prior to their maturity. Each Bond or Note issued hereunder shall be signed by the Treasurer and countersigned by the Mayor. The Mayor and Treasurer are authorized to select a financial advisor and/or an underwriter for the Bonds and Notes, and the Mayor and Treasurer are authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith.

5. Sale of Bonds. The Treasurer is authorized to prepare, or cause to be prepared, a Notice of Sale and/or a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and/or Notes, such Notice of Sale, Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer. Distribution of the Notice of Sale and/or Preliminary Official Statement and the Official Statement in the name of and on behalf of the City in connection with offering the Bonds and/or Notes is hereby authorized and approved. The Treasurer is authorized to covenant, certify and agree, on behalf of the City, for the benefit of the holders of the Notes or Bonds, that the City will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

6. Alternate Method of Sale. In lieu or as an alternative to the method of offering of the Bonds described in section 5 above, the Treasurer is authorized to file an application for sale of the Bonds to the Maine Municipal Bond Bank (the “Bank”), and the Treasurer and Mayor are hereby authorized and empowered in the name and on behalf of the City to borrow up to $450,000 from the Bank pursuant to a Loan Agreement between the City and the Bank providing for a loan from the Bank in the principal amount not in excess of $450,000, and the Treasurer is authorized and empowered, in the name and on behalf of the City, to execute and deliver, under the seal of the City, attested by its Clerk, a Loan Agreement to be in the usual and ordinary form utilized by the Bank,
which is hereby approved, and to contain such other terms and provisions, not contrary to the general tenor hereof,
as the Treasurer may approve, with her approval to be conclusively evidenced by her execution thereof; the
Treasurer and Mayor are further authorized to issue, sell and deliver to the Bank as evidence of the aforesaid loan of
up to $450,000 and against payment therefor, Bonds in a principal amount not to exceed $450,000, such Bonds to
mature and be payable on such dates and in such amounts as approved by the Treasurer and Mayor; to bear interest
at the rates specified by the Bank, which rates shall be subject to approval by the Treasurer and Mayor, such
approval to be conclusively evidenced by their execution and delivery of such Bonds, payable semi-annually; to be
issued as a single, fully registered Bond in the an amount not to exceed $450,000 maturing and payable in
installments as aforesaid; to be signed by the Treasurer and countersigned by the Mayor, and sealed with the seal
of the City, attested to by its Clerk; and the Treasurer, Mayor and other proper officials of the City be, and hereby are,
authorized and empowered in its name and on its behalf, to do or cause to be done all such acts and things as may be
deemed necessary or desirable in order to effect the borrowing from said Bank of up to $450,000 and the issue and
delivery to said Bank as evidence thereof of a corresponding principal amount of the Bonds of the City as authorized
in this Order.

7. **Tax Exempt Bonds.** The Treasurer is authorized to covenant and certify on behalf of the City that:
(a) no part of the proceeds of the issue and sale of the Notes or the Bonds authorized to be issued hereunder shall be
used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Notes
or Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as
amended (the “Code”), (b) no part of the proceeds of the issue and sale of such Notes or Bonds (including any notes
and bonds in renewal thereof) shall be used, directly or indirectly, in such manner which would cause the Notes or
Bonds to be “private activity bonds” within the meaning of Section 141 of the Code, (c) all required information
reports shall be filed and any rebate due to the United States in connection with the issuance of said Bonds and
Notes shall be paid, and (d) the City shall take all other lawful actions necessary to insure the interest on the Bonds
and Notes will be excluded from the gross income of the owners thereof for purposes of federal income taxation
and to refrain from taking any action which would cause interest on the Bonds or Notes to become includable in the
gross income of the owners thereof. The Treasurer is also authorized and empowered to designate the Bonds and/or
Notes as qualified tax-exempt obligations for purposes of Section 265(b) of the Code, to the extent the election may
be available and advisable as determined by the Treasurer.

8. **Documents and Certificates.** The Mayor, Treasurer, City Clerk and other appropriate officials of
the City of Saco are authorized to execute and deliver on behalf of the City such other documents and certificates as
may be required in connection with such Bonds and Notes, and to do or cause to be done all acts and things, not
inconsistent herewith, as may be necessary or appropriate in order to effect the issuance, execution, sale and
delivery of the Bonds and any Notes, and to carry out the provisions of this Order in connection with the Project.

9. **Appropriation.** The sum of $450,000 is hereby appropriated to finance the Project costs, such
amount to be raised by the issuance of the Bonds and/or Notes of the City. In addition, the investment earnings on
the proceeds of the Bonds and Notes, if any, and the excess proceeds of the Bonds and Notes, if any, are hereby
appropriated for the following purposes, such proceeds to be held and applied in the following order of priority: (a)
to any Project costs in excess of the principal amount of the Bonds or Notes; and (b) in accordance with applicable
terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered in connection with the sale of
the Bonds or Notes.

10. **Reimbursement.** This Bond Order shall constitute the City's declaration of official intent within
the meaning of Treasury Regulation 1.150-2 to pay, on an interim basis, costs of the Project in an amount up to
the principal amount of the Bonds to be issued, which costs the City reasonably expects to reimburse with proceeds
of the Bonds or Notes.

11. **Referendum Vote.** Pursuant to Section 6.15 of the Charter of the City, the following question shall
be submitted to the voters of the City of Saco for ratification or rejection at a referendum vote to be held on June 9,
2015: Shall the Order of the City Council of the City of Saco entitled “Order Authorizing the City of Saco to
borrow an amount not to exceed $450,000 for energy efficiency improvements to City and School facilities” be
ratified and approved?
12. City Clerk. A copy of this order shall be filed with the City Clerk.

Order Authorizing the City of Saco to borrow an amount not to exceed $995,000 for Lincoln Street reconstruction and street improvements

BE IT ORDERED BY THE CITY COUNCIL OF THE CITY OF SACO, MAINE IN CITY COUNCIL ASSEMBLED:

1. Bonds Authorized. Pursuant to Maine law, including 30-A M.R.S.A. 5772 and Section 6.15 of the Charter of the City of Saco and all other authority thereto enabling, there is hereby authorized and approved the issuance of general obligation bonds (the “Bonds”) of the City, and temporary notes in anticipation thereof (the “Notes), in an aggregate principal amount not to exceed $995,000. The Bonds shall be designated “City of Saco, Maine, General Obligation Bonds” and any notes in anticipation thereof shall be designated “City of Saco General Obligation Bond Anticipation Notes.” The proceeds of the Bonds and any Notes shall be used to finance the costs of Lincoln Street reconstruction and improvements, including improvements to sidewalks, curbs, sewer facilities, drainage, and roadway pavement and pedestrian improvements, with an excess funds to be used for other street improvements in the City (the “Project”) and reasonably related costs, costs of issuance of the Bonds and any Notes, and capitalized interest prior to and during construction of the improvements. The City Council shall make all determinations regarding said Project.

2. Period of Utility. The estimated period of utility of the Project is twenty-five (25) years.

3. Tax Levy. Pursuant to Section 6.15 of the Charter of the City of Saco, an amount necessary to meet the annual payments of principal and interest on the Bonds (and any Notes not paid from the proceeds of Bonds issued hereunder) shall be included in the tax levy of the City each year until the debt represented by said Bonds and Notes is extinguished.

4. Details of Bonds. To the extent not inconsistent with this Order and the Charter of the City, the discretion to fix the date(s), maturity(ies) of the Bonds and/or Notes, denomination(s), interest rate(s), place(s) of payment, form(s) and other details of said Bonds and Notes, and to provide for the sale thereof, including execution of said Bonds and Notes on behalf of the City of Saco and delivery against payment therefore, is hereby delegated to the Treasurer and Mayor of the City of Saco. The Bonds shall be payable within a fixed term of years to be determined by the Mayor and Treasurer, not to exceed twenty (20) years, and Notes in anticipation of Bonds shall not exceed three (3) years from the date of the initial issuance of any Notes. Bonds shall be made payable as pertains to interest semi-annually and as pertains to principal in equal, annual serial installments, except that: (1) each year's installments may be adjusted to the nearest multiple of $5,000; and (2) the amount of each year's installment may vary provided that it is equal to or greater than the installment due and payable in any succeeding year. The Bonds and any Notes shall contain such terms and provisions, not inconsistent herewith, as the Treasurer and Mayor may hereafter determine. All determinations by the Mayor and Treasurer shall be conclusively evidenced by their execution of the Bonds or Notes. The Treasurer and Mayor are authorized to provide that any of the Bonds and Notes be made callable, with or without premium, prior to their maturity. Each Bond or Note issued hereunder shall be signed by the Treasurer and countersigned by the Mayor. The Mayor and Treasurer are authorized to select a financial advisor and/or an underwriter for the Bonds and Notes, and the Mayor and Treasurer are authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith.

5. Sale of Bonds. The Treasurer is authorized to prepare, or cause to be prepared, a Notice of Sale and/or a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and/or Notes, such Notice of Sale, Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer. Distribution of the Notice of Sale and/or Preliminary Official Statement and the Official Statement in the name of and on behalf of the City in connection with offering the Bonds and/or Notes is hereby authorized and approved. The Treasurer is authorized to covenant, certify and agree, on behalf of the City, for the benefit of the holders of the Notes or Bonds, that the City will file
any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

6. **Alternate Method of Sale.** In lieu or as an alternative to the method of offering of the Bonds described in section 5 above, the Treasurer is authorized to file an application for sale of the Bonds to the Maine Municipal Bond Bank (the “Bank”), and the Treasurer and Mayor are hereby authorized and empowered in the name and on behalf of the City to borrow up to $995,000 from the Bank pursuant to a Loan Agreement between the City and the Bank providing for a loan from the Bank in the principal amount not in excess of $995,000, and the Treasurer is authorized and empowered, in the name and on behalf of the City, to execute and deliver, under the seal of the City, attested by its Clerk, a Loan Agreement to be in the usual and ordinary form utilized by the Bank, which is hereby approved, and to contain such other terms and provisions, not contrary to the general tenor hereof, as the Treasurer may approve, with her approval to be conclusively evidenced by her execution thereof; the Treasurer and Mayor are further authorized to issue, sell and deliver to the Bank as evidence of the aforesaid loan of up to $995,000 and against payment therefor, Bonds in a principal amount not to exceed $995,000, such Bonds to mature and be payable on such dates and in such amounts as approved by the Treasurer and Mayor; to bear interest at the rates specified by the Bank, which rates shall be subject to approval by the Treasurer and Mayor, such approval to be conclusively evidenced by their execution and delivery of such Bonds, payable semi-annually; to be issued as a single, fully registered Bond in the an amount not to exceed $995,000 maturing and payable in installments as aforesaid; to be signed by the Treasurer and countersigned by the Mayor, and sealed with the seal of the City, attested to by its Clerk; and the Treasurer, Mayor and other proper officials of the City be, and hereby are, authorized and empowered in its name and on its behalf, to do or cause to be done all such acts and things as may be deemed necessary or desirable in order to effect the borrowing from said Bank of up to $995,000 and the issue and delivery to said Bank as evidence thereof of a corresponding principal amount of the Bonds of the City as authorized in this Order.

7. **Tax Exempt Bonds.** The Treasurer is authorized to covenant and certify on behalf of the City that:
   (a) no part of the proceeds of the issue and sale of the Notes or the Bonds authorized to be issued hereunder shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Notes or Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”),
   (b) no part of the proceeds of the issue and sale of such Notes or Bonds (including any notes and bonds in renewal thereof) shall be used, directly or indirectly, in such manner which would cause the Notes or Bonds to be “private activity bonds” within the meaning of Section 141 of the Code,
   (c) all required information reports shall be filed and any rebate due to the United States in connection with the issuance of said Bonds and Notes shall be paid, and
   (d) the City shall take all other lawful actions necessary to insure the interest on the Bonds and Notes will be excluded from the gross income of the owners thereof for purposes of federal income taxation and to refrain from taking any action which would cause interest on the Bonds or Notes to become includable in the gross income of the owners thereof. The Treasurer is also authorized and empowered to designate the Bonds and/or Notes as qualified tax-exempt obligations for purposes of Section 265(b) of the Code, to the extent the election may be available and advisable as determined by the Treasurer.

8. **Documents and Certificates.** The Mayor, Treasurer, City Clerk and other appropriate officials of the City of Saco are authorized to execute and deliver on behalf of the City such other documents and certificates as may be required in connection with such Bonds and Notes, and to do or cause to be done all acts and things, not inconsistent herewith, as may be necessary or appropriate in order to effect the issuance, execution, sale and delivery of the Bonds and any Notes, and to carry out the provisions of this Order in connection with the Project.

9. **Appropriation.** The sum of $995,000 is hereby appropriated to finance the Project costs, such amount to be raised by the issuance of the Bonds and/or Notes of the City. In addition, the investment earnings on the proceeds of the Bonds and Notes, if any, and the excess proceeds of the Bonds and Notes, if any, are hereby appropriated for the following purposes, such proceeds to be held and applied in the following order of priority:
   (a) to any Project costs in excess of the principal amount of the Bonds or Notes; and
   (b) in accordance with applicable
terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered in connection with the sale of the Bonds or Notes.

10. **Reimbursement.** This Bond Order shall constitute the City's declaration of official intent within the meaning of Treasury Regulation 1.150-2 to pay, on an interim basis, costs of the Project in an amount up to the principal amount of the Bonds to be issued, which costs the City reasonably expects to reimburse with proceeds of the Bonds or Notes.

11. **Referendum Vote.** Pursuant to Section 6.15 of the Charter of the City, the following question shall be submitted to the voters of the City of Saco for ratification or rejection at a referendum vote to be held on June 9, 2015: Shall the Order of the City Council of the City of Saco entitled “Order Authorizing the City of Saco to borrow an amount not to exceed $995,000 for Lincoln Street reconstruction and improvements” be ratified and approved?

12. **City Clerk.** A copy of this order shall be filed with the City Clerk.

---

**Financial Statement:** The following financial statement applies to Questions 1, 2 and 3 set forth below. The issuing of bonds by the City of Saco is one of the ways in which the City borrows money for certain purposes. The following is a summary of the bonded indebtedness of the City of Saco as of the date of this referendum:

- Bonds now Outstanding and Unpaid: $13,454,264
- Interest to be paid on Outstanding Bonds: $4,102,655
- Total Principal and Interest to be repaid on Bonds Outstanding: $17,556,919
- Additional Principal Amount of Bonds Authorized but not yet issued: $990,000

Total additional Bonds to be issued if approved by the voters:

<table>
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<tr>
<th>Question</th>
<th>Amount</th>
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<tr>
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<td>Question 2: Energy efficiency upgrades to City and</td>
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<td>School facilities</td>
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Estimate of potential new interest on such additional Bonds:

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[Note: interest rate estimates vary from 1.3% per annum to 3.8% per annum depending on the year of maturity]

Total additional Bond principal and estimated interest to be repaid if approved by the voters:

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<td>$2,902,325</td>
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When money is borrowed by issuing bonds, the City must repay not only the principal amount of the bonds but also interest on the bonds. The amount of interest to be paid will vary depending upon the rate of interest and the years to maturity at the time of issue. The validity of the bonds and of the voters’ ratification of the bonds may not be affected by any errors on the estimates made of the costs involved, including varying interest rates, the estimated cost of interest on the bond amount to be issued and the total cost of principal and interest to be paid at maturity. If the actual amount of the total debt service for the bond issues varies from the estimate, the ratification by the electors is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.
Question #1

Shall the Order of the City Council of the City of Saco entitled “Order Authorizing the City of Saco to borrow an amount not to exceed $870,000 for transfer station relocation and recreational infrastructure improvements” be ratified and approved?

Yes ____________  
No ____________

Question #2

Shall the Order of the City Council of the City of Saco entitled “Order Authorizing the City of Saco to borrow an amount not to exceed $450,000 for energy efficiency improvements to City and School facilities” be ratified and approved?

Yes ____________  
No ____________

Question #3

Shall the Order of the City Council of the City of Saco entitled “Order Authorizing the City of Saco to borrow an amount not to exceed $995,000 for Lincoln Street reconstruction and improvements” be ratified and approved?

Yes ____________  
No ____________

City of Saco, Maine
2016 General Obligation Bonds
(Transfer Station & Recreation Infrastructure Projects)

Debt Service Schedule

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Dated 4/ 1/16 with Delivery of 4/ 1/16

Moors & Cabot, Boston, Massachusetts


City of Saco, Maine

2016 General Obligation Bonds
(Energy Improvements Projects)

Debt Service Schedule

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<th>Date</th>
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<th>Coupon</th>
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Dated 4/ 1/16 with Delivery of 4/ 1/16

Moors & Cabot, Boston, Massachusetts

City of Saco, Maine  
2016 General Obligation Bonds  
(Lincoln Street Projects)  

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Weighted Bond Years: 10,528.398  
Weighted Average Life: 10.413145  
Weighted N I C %: 2.879807 % Using 100.00000000  
T I C %: 2.879599 % From Delivery Date

Moors & Cabot, Boston, Massachusetts

### Debt Service Schedule

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**B. AMENDMENTS TO ARTICLE 16, FIRE/EMS IMPACT FEES – (2ND & FINAL READING)**

M:\2015\cm_2015_08_03.doc  8/28/2015  Page 14 of 35
The City currently assesses an impact fee on new residential development that results in revenue specific to open space and recreational facilities. Title 30-A §4354 was approved by the Legislature in 1991, allowing a municipality, under its home rule, authority to assess such fees to offset the cost of capital or infrastructure improvements made necessary by new development.

The proposed Fire Department/Emergency Medical Services Impact Fee seeks to ensure that current levels of service are maintained as Saco’s population grows. With current and future capital facilities and equipment needs estimated at $400,000 annually, there is a great need for additional resources. The proposed fee would be assessed on new residential and non-residential buildings. Based on an average year from 2001-2013, the fee would generate $40,000-50,000 in revenue specifically for capital facilities and equipment.

The Planning Board considered this and held a public hearing at their meeting on March 31, 2015, and discussed further on April 14, 2015. Public comments were supportive. The Board forwards a positive recommendation for the proposed amendments.

Council discussed in Workshop on April 21, 2015 and the First Reading was on May 4, 2015. Council held a Public Hearing on May 18, 2015. During the June 1, 2015 Council Meeting, this item was reviewed by the Council as a Second and Final Reading. Council moved to table the item to be added to the June 15th workshop for further review. During the June 15th Council Workshop, Councilors further amended Article 16, and the Public Hearing was held on July 6, 2015.

Councilor Roche moved, Councilor Johnston seconded to Be it Ordered that the City of Saco approve the second and final reading for “Amendments to Zoning Ordinance Article 16 – Impact Fees, Amended June 17, 2015 as described in the document. Further move to approve the order.

Clarification on prior Amendment - Councilor Roche noted that on the fee schedule at the end of the document it showed that the fee for Commercial/Industrial @ .25/sf. was struck, but the actual language in 1603-3 as follows: “or the construction of a new structure intended for commercial or industrial use” was still listed in the document. City Planner Bob Hamblen noted that that was a simple typo and he thought they had tracked down every instance of commercial or industrial use being mentioned and put a strike through but we missed one, but that was certainly the intent. Councilor Roche inquired if he needed to form another amendment or does that count as the amendment made before? City Planner Bob Hamblen noted that that was the intent that all the edit marks throughout here, so that if you cleaned up this copy and got rid of the edit marks then the final would include no mention of commercial or industrial use. So my recommendation is under 1603-3 “Activities subject to the fee” the phrase “or the construction of a new structure intended for commercial or industrial use” should be stricken because that certainly was the intent. Councilor Cote felt that an amendment needed to be made to make sure the commercial/industrial use are not subject to an impact fee.

AMENDMENT - Councilor Roche moved, Councilor Johnston seconded to strike in 1603-3 “or the construction of a new structure intended for commercial or industrial use” shall be stricken from this. The motion passed with four (4) yeas and three (3) nays – Councilors Precourt, Cote and Tardif.

Mayor Pilon called for a vote on the main motion. The motion passed with five (5) yeas and two (2) nays – Councilors Tardif and Precourt.

Draft Amendments to Article 16 Impact Fees
Fire Department/Emergency Medical Services Impact Fee
Amended Through 6/17/15

Section 1601. General Provisions for Impact Fees
1601-1. PURPOSE
The purpose of these impact fee provisions is to ensure that new development in Saco will be accomplished
in a safe and healthful manner and that such development will bear a proportional or reasonably related
share of the cost of new, expanded or modified infrastructure necessary to service the development through: 1) the
payment of impact fees that shall be dedicated to paying for the needed improvements, or 2) the construction of
appropriate improvements as provided for herein.

1601-2. AUTHORITY
These impact fee provisions are adopted by the City under the authority of 30A M.R.S.A. § 4354 and its
statutory and constitutional home rule provisions.

1601-3. PAYMENT OF IMPACT FEES
The impact fees provided for under this article shall be paid to the City of Saco in care of the Code
Enforcement Department.

1601-4. IMPACT FEE ACCOUNTS
All impact fees collected under the provisions of this article shall be segregated and accounted for in
separate impact fee accounts designated for the particular improvements in question. The impact fee accounts are as
follows.

1. Recreational Facilities Impact Fee Account
2. Open Space Facilities Impact Fee Account
3. Fire Department/Emergency Medical Service Impact Fee Account

1601-5. USE OF IMPACT FEES
A. Impact fees collected under the provisions of this article shall be used only to pay for the capital cost of
the infrastructure improvements specifically associated with the fee as identified below. No portion of
the fee shall be used for routine maintenance or operational activities.

The following costs may be included in the capital cost of the Recreational Facilities or Open Space Facilities
infrastructure improvement:

1. acquisition of land or easements including conservation easements,
2. engineering, surveying and environmental assessment services directly related to the design,
   construction and oversight of the construction of the improvement,
3. the actual construction of the improvement including, without limitation, demolition costs, clearing
   and grading of the land, and necessary capital equipment,
4. mitigation costs,
5. legal and administrative costs associated with construction of the improvement including any
   borrowing necessary to finance the project,
6. debt service costs including interest if the City borrows for the construction of the improvement,
7. relocation costs, and
8. similar costs that are directly related to the project.

B. Impact fees collected under the provisions of this article shall be used only to pay for the capital cost of
the equipment and facilities specifically associated with the Fire Department/Emergency Medical
Services (FD/EMS) Impact Fee as identified below.

1. Vehicles utilized by public safety personnel for FD/EMS purposes,
2. Equipment utilized by public safety personnel for FD/EMS purposes,
3. Construction of capital improvements, including the expansion or replacement of existing infrastructure facilities.

4. Acquisition of land.

5. Engineering, surveying and environmental assessment services directly related to the design, construction and oversight of the construction of the improvement.

6. The actual construction of the improvement including, without limitation, demolition costs, clearing and grading of the land, and necessary capital equipment.

7. Mitigation costs.

8. Legal and administrative costs associated with construction of the improvement including any borrowing necessary to finance the project.

9. Debt service costs including interest if the City borrows for the construction of the improvement.

1601-6. REFUND OF IMPACT FEES
Impact fees shall be refunded in the following cases:

1. If a building permit is surrendered or if a subdivision or site plan approval lapses without commencement of construction, the permit holder or developer shall be entitled to a refund, without interest, of any impact fee paid in conjunction with that project. A request for a refund shall be made in writing to the City Planner and shall occur within ninety (90) days of the lapse of the approval or the expiration of the permit.

2. Any fees collected that are not spent or obligated by contract for the specified improvements or acquisitions by the end of the calendar quarter immediately following ten (10) years from the date the fee was paid shall be returned to the current owner of the property for which the fee was paid together with interest calculated at three (3) percent per year from the date of the payment of the fee.

1601-7. MODIFICATION OF IMPACT FEES
The City Council may, by formal vote following a public hearing, reduce or eliminate the payment of a required impact fee if it finds that:

1. The developer or property owner who would otherwise be responsible for the payment of the impact fee voluntarily agrees to construct the improvement for which the impact fee would be collected or an equivalent improvement approved by the City Council, or

2. The developer or property owner is required, as part of a development approval by the City or a state or federal agency, to make or to pay for infrastructure improvements that are of the same nature as the improvement to be funded by the impact fee, or

3. The project subject to the impact fee involves the construction of affordable housing as defined by the U.S. Department of Housing and Urban Development or the Maine State Housing Authority. If only part of the project is affordable housing, the Council may waive only the portion of the fee attributable to the affordable units, or

4. The project involves the construction of an elder/disability housing facility, elderly congregate housing, assisted living, or other elder care facilities.

1601-8. REVIEW AND REVISION
The City Council shall periodically review each impact fee established under this chapter. If the Council finds that the anticipated cost of the improvement has changed or that the identification of developments subject to the fee is no longer appropriate, the Council may adopt changes in the impact fee.

Section 1602. Recreational Facilities and Open Space Impact Fee

1602-1. DESCRIPTION OF THE IMPROVEMENTS

This project involves the acquisition of land for and the development of new community-wide recreational facilities and the acquisition of land or conservation easements for use as substantially undeveloped open space and the related development of these parcels to facilitate their role and use as open space. The recreational facilities portion of this impact fee may be used for the following improvements.

1. The development of the City’s former landfill on the Foss Road into a multi-purpose community recreational complex.
2. The development of a skating area at Pepperell Park or another location.
3. The construction of a baseball field at the Middle School Recreational Area.
4. The construction of pedestrian and bicycle trails including the City’s share of the cost of the development of the Eastern Trail.
5. The acquisition of land for the future development of community recreation facilities, and/or
6. The development of other community recreational facilities that expand the City’s supply of recreational areas or facilities.

The open space facilities portion of this impact fee may be used for the following improvements:

1. The acquisition of land or conservation easements for use as substantially undeveloped open space and the related development of these parcels to facilitate their role and use as open space.

1602-2. NEED FOR THE IMPROVEMENTS

The need for community recreation facilities and open space is a function of the size of the community’s population. As the community grows, it needs more recreation land, fields, playgrounds, natural areas, and open spaces. The City’s adopted Comprehensive Plan identifies the need to expand the supply of recreational facilities and open space to serve a growing population. The need for the specific improvements is set out in the City of Saco’s Recreational Facilities and Open Space Impact Fee Methodology.

1602-3. ACTIVITIES SUBJECT TO THE FEE

Any construction or development that involves the creation of a new dwelling unit as defined by the zoning ordinance including single family homes, apartment units, manufactured housing units, and mobile homes shall be subject to the payment of an impact fee for this project except as provided below:

1. No impact fee shall be paid if the dwelling unit is located in a subdivision that was approved by the Saco Planning Board prior to the date of adoption of this Article.
2. No impact fee shall be paid if the dwelling unit is located in a subdivision which is a complete application under review by the Saco Planning Board prior to the date of adoption of this Article.
3. The recreational facilities portion of the impact fee shall not be paid if the unit is located in a residential subdivision or other residential development that has provided recreational facilities in accordance with the requirements of the City’s Subdivision Regulations.
4. The open space portion of the impact fee shall not be paid if the unit is located in a residential subdivision or other residential development that has provided open space in accordance with the requirements of the City’s Subdivision Regulations.
5. No impact fee shall be paid if the new dwelling unit is to be constructed on a lot where a dwelling unit has been demolished or permanently removed from use within the last twelve months. The fee shall be charged for any unit beyond the number demolished or permanently removed from use.

6. No impact fee shall be paid if the dwelling unit is moved from one lot within the city to another lot within the city.

7. Downsizing Provisions for Elderly Homeowners (Amended 7/2/02)

Persons building new single-family dwelling units which meet the requirements of subparagraphs A through D of this subsection are not required to pay the recreation and open space impact fee. However the transfer of the property by any means during the five years following the issuance of a building permit shall require that the impact fee be paid. Likewise the property shall not be leased or rented during the five years after the issuance of a building permit unless the impact fee is paid. An agreement outlining the limitations on the waiver shall be recorded at the York County Registry. Evidence of the recording shall be presented to the code enforcement officer before the building permit is issued.

A. The person or persons proposing to build the new single-family dwelling unit have previously owned and occupied an existing permanent residence in Saco and paid property taxes on it continuously for at least 20 years.

B. The owner(s) is/are selling or transferring their existing permanent residence in Saco and are planning to make the new house their permanent residence.

C. At least one owner of the proposed house is 62 years old or older.

D. The proposed house is a single-family dwelling unit with one or two bedrooms.

1602-4. CALCULATION OF THE FEE

The recreational facilities and open space impact fee is a per capita fee and is based upon the City’s Impact Fee Calculation Methodology. The per capita fee consists of a recreational facilities component and an open space component. The amount of the fee paid by a development project shall be determined by multiplying the per capita fee by the number of people expected to reside in the project. The following occupancy ratios shall be used in determining the fee unless the applicant provides verifiable written documentation from an independent, objective source demonstrating other occupancy levels:

- Single family dwellings and mobile homes: 3.2 people/unit
- Dwelling unit in a two-family or multi-family dwelling with:
  - one bedroom: 1.2 people/unit
  - two bedrooms: 2.0 people/unit
  - three or more bedrooms: 3.0 people/unit
- Dwelling unit in elderly housing, assisted living facility, or other eldercare facility limited to occupancy by households sixty-five years of age or older: 1.2 people/unit

1602-5. IMPACT FEE

Fees shall be determined by Council after a public hearing.

1602-6. COLLECTION OF THE FEE

The Code Enforcement Officer shall collect the impact fee prior to the issuance of any building, plumbing or other permit for residential construction that is subject to the fee. The amount of the fee shall be based upon the procedure set out in subsection 1602-4 above. The City Administrator may approve the payment of impact fees over time in accordance with an approved payment schedule provided that appropriate arrangements are in place to guarantee collection of the fees.

1602-7. EFFECTIVE DATES
This impact fee shall be applicable to activities subject to the impact fee 30 (thirty) days after the date of adoption of this Article.

Section 1603. Fire Department/Emergency Medical Services Impact Fee

1603-1. DESCRIPTION OF THE IMPROVEMENTS

The Fire Department/Emergency Medical Services Impact Fee will be used to ensure an adequately capitalized and funded Fire Department in the provision of fire, rescue and emergency medical services. The Fee may be used for the following purposes:

1. Acquisition of vehicles utilized by Fire Department personnel for fire, rescue and emergency medical services.
2. Purchase of equipment utilized by Fire Department personnel for fire, rescue and emergency medical services.
3. Construction of capital improvements, including the expansion or replacement of existing infrastructure facilities, or, if the improvements were constructed at municipal expense prior to the development, the fee must be reasonably related to the portion of percentage of the infrastructure used by the development.
4. Acquisition of land or easements necessary for or related to existing and proposed Fire Department facilities.
5. Legal and administrative costs associated with construction of capital improvements including any borrowing necessary to finance the project.

1603-2. NEED FOR THE IMPROVEMENTS

The need for public safety equipment and facilities is a function of the growth of the community’s population. As the community grows, increased capacity is required to meet the public safety needs of greater numbers of residents. The City’s adopted Comprehensive Plan identifies the need to expand the ability of the Fire Department and Emergency Medical Services to serve a growing population. The need for the specific improvements is set out in the City of Saco’s Fire Department/Emergency Medical Services Impact Fee methodology.

1603-3. ACTIVITIES SUBJECT TO THE FEE

Any construction or development that involves the creation of a new dwelling unit as defined by the Zoning Ordinance including single family homes, apartment units, manufactured housing units, and mobile homes, or the construction of a new structure intended for commercial or industrial use shall be subject to the payment of a Fire Department/Emergency Medical Services Impact Fee except as provided below:

1. No impact fee shall be paid if a new dwelling unit or commercial or industrial structure is to be constructed on a lot where a dwelling unit or commercial or industrial structure has been demolished or permanently removed from use within the last twelve months. The fee shall be charged for any unit beyond the number demolished or permanently removed from use.

2. No impact fee shall be paid if a dwelling unit or commercial or industrial structure is moved from one lot within the city to another lot within the city.

3. No impact fee shall be paid if a proposed dwelling unit is created as the result of a conveyance of a parcel to a family member.

4. No impact fee shall be paid for the creation of an accessory apartment in a single family dwelling.

1603-4. CALCULATION OF THE FEE

The Fire Department/Emergency Medical Services Impact Fee is based upon the City’s Impact Fee Calculation Methodology.
1603-5. IMPACT FEE
Fees shall be determined by the Council after a public hearing.

1603-6. COLLECTION OF THE FEE
The Code Enforcement Officer shall collect the impact fee prior to the issuance of any building, plumbing or other permit for construction that is subject to the fee. The amount of the fee shall be based upon the procedure set out in subsection 1603-4 above. The City Administrator may approve the payment of impact fees over time in accordance with an approved payment schedule provided that appropriate arrangements are in place to guarantee collection of the fees.

1603-7. EFFECTIVE DATES
This impact fee shall be applicable to activities subject to the impact fee 30 (thirty) days after the date of amendment of this Article.

Appendix, Impact Fees

<table>
<thead>
<tr>
<th>Section of Code</th>
<th>Fee Name</th>
<th>Description</th>
<th>Fee</th>
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<tbody>
<tr>
<td>Zoning Ordinance, Article 16, §1602-5</td>
<td>Impact Fees</td>
<td>Per Capita Impact Fee</td>
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<td></td>
<td></td>
<td>Recreational Facilities Per Capita</td>
<td>$375.00</td>
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<tr>
<td></td>
<td></td>
<td>Open Space Component Per Capita</td>
<td>$156.00</td>
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</tbody>
</table>
| Zoning Ordinance, Article 16, §1603-5 | Fire Department/Emergency Medical Services | Fire/EMS
  - Single Family Dwelling
  - Two Family Dwelling
  - Multi-Family Dwelling
    - One-bedroom unit
    - Two-bedroom unit
    - Three bedroom or more
  - Elder/Disability unit
  - Mobile Home
  - Commercial/Industrial | $500.00  
|                             |          |                        | $250.00/unit  |
|                             |          |                        | $187.50  |
|                             |          |                        | $312.50  |
|                             |          |                        | $468.75  |
|                             |          |                        | $500.00  |
|                             |          |                        | $.25/s.f.  |

C. AUTHORIZATION TO TERMINATE CONTRACT DISCUSSIONS FOR THE STACKPOLE CREEK BRIDGE

Since the notice of award to Chesterfield Associates on May 15, 2015 City staff has attempted to arrive at a signed contract with Chesterfield to perform the design/build reconstruction of the Stackpole Creek Bridge on Simpson Road.

On July 2nd the City submitted a third and final version of the contract document to Chesterfield, with the stipulation that they sign and return the document within 10 days, in accordance with the project bid package. Chesterfield failed to sign and return the contract document within the stipulated time frame. On July 14th and 17th Chesterfield communicated to the City by e-mail and a letter that they would not sign a contract without several changes to the document. Staff advised the Council on July 20th that these demands by Chesterfield were not in the City’s best interests. The City may now take any action it deems appropriate in the interest of the project, including, but not limited to, negotiating with other bidders or rejecting all proposals and re-advertising the work.

Councilor Precourt moved, Councilor Tardif seconded “Be it Ordered that the City of Saco hereby terminates the conditional contract awarded to Chesterfield Associates, dated May 15, 2015, for failure to arrive at a signed contract with the City in a timely manner.” Further move to approve the Order.

Move the question – Councilor Smith moved, Councilor Precourt seconded to move the question. The motion passed with four (4) yeas and three (3) nays – Councilors Johnston, Cote and Roche.
Mayor Pilon called for a vote on the main motion. The motion passed with five (5) yeas and two (2) nays – Councilors Johnston and Cote.

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City of Saco

Public Works Department
Saco City Hall
300 Main Street
Saco, Maine 04072-1538

Patrick Fox, Director of Public Works
Telephone: (207) 284-6641
Fax: (207) 282-8212
Email: pfox@sacomaine.org

July 2, 2015

Davies Allen
Chesterfield Associates
123 W. Shore Road
Westport Island, ME 04578

RE: Simpson Road over Stackpole Creek
Final Contract Document submission

Dear Mr. Allen:

Please accept this final iteration of the contract document entitled “Agreement to Design and Build a structure over Stackpole Creek, on Simpson Road, Saco, Maine”.

This document provides concessions and clarifications made by the City over several weeks of e-mail correspondence, contract drafts, and our meeting together on June 23, 2015. The City has altered the contract to the greatest extent possible to accommodate Chesterfield’s requests, while still protecting the City’s interests.

Please sign and return this contract document within ten (10) days in accordance with the contract award process outlined in Section 3.2 of the RFP so the project may move forward promptly into design and construction.

Sincerely,

[Signature]

Patrick Fox
Director of Public Works
Agreement to Design and Build a structure over Stackpole Creek, on Simpson Road, Saco, Maine

This AGREEMENT is made as of the ____ day of July in the year of 2015, by and between the following parties, for services in connection with the Project identified below:

OWNER:

City of Saco  
300 Main Street  
Saco, Maine  04072

DESIGN-BUILDER:

Chesterfield Associates, Inc.  
123 West Shore Road  
Westport Island, Maine  04578

PROJECT / PREMISES:

Structure crossing Stackpole Creek  
on Simpson Road  
Saco, Maine

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

Article 1

Scope of Work

1.1 Retention of Design-Builder. Design-Builder shall perform all design, engineering and construction services, and provide all material, equipment, tools and labor, necessary to complete the project. Owner shall not provide engineering or design services as part of this undertaking but reserves the right to have its own Consulting Engineers review designs, calculations and plans submitted by Design-Builder.

1.2 Project Goal. The project intends the design and subsequent construction of a structure over the Stackpole Creek where it crosses Simpson Road all as set forth in a certain Owner’s RFP dated February 23, 2015 and certain Bid Proposal by Design-Builder dated
March 23, 2015, and then as further detailed in the Contract Documents. Design-Build shall be paid a lump sum of $839,500.00 (“Contract Price”) for all design engineering and construction services described herein and required to complete the Project.

1.3 Project Goals. In addition and not in lieu of the above, Owner and Design-Builders expressly agree the structure designed and built:

- Shall meet H-2O loading requirements
- Shall have at least 2 travel lanes not less than 11 feet in width
- Shall have improved hydrology pass through for Stackpole Creek whether or not the existing stone structure remains in place
- Shall have not less than a 75 year design life

1.4 Feasibility. In the opinion of Owner’s Consulting Engineers, Design-Builders’ Initial Proposal insufficiently detailed the proposed preliminary design as required in Section 6.3.1 of Owner’s RFP. Design-Builders will therefore address as part of its preliminary design all details contained in CDM Smith Engineers letter of June 8, 2015. Parties agree Design-Builders preliminary design for preservation and use of the structure in place will be reviewed for feasibility by Owner. If, in the sole opinion of Owner, feasibility of the preliminary design cannot be reasonably shown, Design-Builders shall have an 90 additional days to amend its design to meet Owner’s requirements.

1.5 Latent Conditions. Design-Builders acknowledges that it has received certain data regarding the stone structure in place at the project location. Design-Builders intends to preserve and re-use said structure and it acknowledges that its’ bid proposal describes and has been premised upon such objective. However, both Parties acknowledgefull understanding of the internal condition of the existing structure could not be completed in advance of securing bid proposals. As a result, latent unknown conditions may be found and therefore the Parties agree as follows:

1. Design-Builders, following Preliminary Design Approval (see Section 6.2) may enter onto the site and bore, excavate or test the existing structure to verify any assumptions and substantiate the structure’s condition before completing Final Design.

2. All findings, results and conclusions of Design-Builders, and its agents and subcontractors, shall be provided to Owner and Owner’s Consulting Engineer.

3. Any fees incurred by Design-Builders during preliminary and final design, including investigation of latent conditions, shall be payable from the Contract Price as set out in Section 7.1.3.

1.6 Structural Integrity. If, at the Final Design Phase, Owner concludes the existing stone structure cannot be reasonably used as structural support, the Owner may, at that time, terminate this Contract. Owner shall have 30 days to make a decision. If the Owner opts to
terminate the Contract, Design-Builder shall be paid for all work and materials to date as permitted herein.

1.7 **Use of Structure in place.** If Design-Builder’s Final Design intends reliance upon the existing structure in place as structural support for load bearing requirements, then Design-Builder shall supply a professional engineer’s stamped plan, along with supporting calculations, certifying that the existing structure can meet H-20 loading requirements. Owner reserves the right to review such certification before issuing a Notice to Commence Construction.

**Article 2**

**Contract Documents**

2.1 The Contract Documents are comprised of the following:

1. This Design-Builder Agreement;
2. General Conditions of Contract
3. All written modifications, amendments and change orders agreed to by Owner; and
4. Owner’s RFP dated February 23, 2015, including Addendums #s 1, 2
5. Required Payment Performance Bonds
6. Bid and Bid Bond
7. Notice of Award dated May 15, 2015
8. Notice to Proceed
9. Design Builder’s Proposal dated March 23, 2015, excepting therefrom a certain letter of RLI Surety dated March 16, 2015 purporting to limit any bonding coverage which is not agreed to by the Parties.

2.2 Pursuant to Section 3.2.3 of the Owners RFP, the Design-Builder shall have 10 days from the date the Owner transmits or delivers this Agreement to sign, execute and deliver back to the Owner three fully executed originals along with all required Certificates of Insurance, Payment bonds and Performance Bonds, including its Engineer’s Certificate of Insurance.

2.3 The Owner shall thereafter review the submitted documents for compliance, and upon satisfaction thereof, it shall issue its Notice to Proceed with Preliminary Design per Article 6 below.
Article 3

Interpretation and Intent

3.1 The Contract Documents are intended to permit Design-Builder to complete the Work and all obligations required by the Contract Documents, including the addition of a wood fascia along the deck of the structure, a wooden guardrail, and an asphalt overlay with waterproof membrane as detailed in Contractor’s cover letter of April 10, 2015. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict. In the event of any inconsistency, conflict, or ambiguity between or among the Contract Documents, the Contract Documents shall take precedence in the order in which they are listed in Section 2.1 hereof.

3.2 Terms, words and phrases used in the Contract Documents, including this Agreement, shall have the meanings given them in the General Conditions of Contract.

3.3 The Contract Documents form the entire agreement between Owner and Design-Builder and by incorporation herein are as fully binding on the Parties as if repeated herein. No oral representations or other agreements have been made part of the Agreement between the Parties.

Article 4

Ownership of Work and Project

4.1 Work Product. All drawings, specifications, materials, supplies, equipment, documents and electronic data furnished by Design-Builder under this Agreement shall, become the property of the Owner once they are delivered, installed, incorporated or placed into use and service of the Owner or at the project, at which time title shall irrevocably pass to Owner.

Article 5

Contract Time

5.1 Date of Commencement. The Work shall commence within ten (10) days of Design-Builder’s receipt of Owner’s Notice to Proceed with Design Services (“Date of Commencement”).

5.2 Substantial Completion and Final Completion

5.2.1 Substantial Completion of the entire Work shall be achieved no later than fifty two (52) Weeks from the signing date of this Agreement.

5.2.2 Final Completion of the Work or identified portions of the Work shall be achieved as expeditiously as reasonably practicable. All work must be completed not later than 30 days
after substantial completion.

5.2.3 All of the dates set forth in this Article 5 (“Contract Time(s)”) shall be subject to adjustment in accordance with the General Conditions of Contract.

5.3 Time Extensions. If for reasons beyond control of Design-Builder the project cannot be completed on time, Design-Builder may request a reasonable extension. Additional extensions of time may also be granted if requested as part of an approved change order.

5.4 Liquidated Damages. Design-Builder understands that if Substantial Completion is not attained by the Scheduled Substantial Completion Date, Owner will suffer damages which are difficult to determine and accurately specify. Design-Builder agrees that if Substantial Completion is not attained by five (5) days after the Scheduled Substantial Completion Date (the “LD Date”), Design-Builder shall pay Owner Five Hundred Forty Dollars ($540.00) as liquidated damages for each day that Substantial Completion extends beyond the LD Date. The liquidated damages provided herein shall compensate Owner for any and all extra costs, losses, expenses, claims, penalties and any other damages, whether special or consequential.

Article 6

Project Sequence
6.1 The project shall consist of three (3) phases: preliminary design, final design and construction with project milestones for each phase detailed below.

6.2 Preliminary Design
- Preliminary design work by Chesterfield/JAMM, including localized test pits at the proposed abutment locations;
- Preliminary Design Submission by Chesterfield/JAMM Engineering;
- Full Preliminary Design Review by Owners Consulting Engineer;
- Review and Response of Preliminary Design Review comments/questions by Chesterfield/JAMM Engineering;
- Owner issuance of Notice to Commence Final Design;

6.3 Final Design
- Comprehensive Exploratory work of the existing structure allowed by Design-Builder;
- Final Design submission by Chesterfield/JAMM Engineering;
- Full Design review of Final Design;
- Review and Response of Final Design Review comments/questions by Chesterfield/JAMM Engineering;
- Final Design sign-off by Owner’s Engineer;
- Required review by Maine DOT
- Owner issuance of Notice to Commence Construction
6.4 Construction Phase
- Preconstruction meeting
- Construction layout, mobilization, and finalize construction schedule
- Progress meetings
- Periodic inspections
- Testing and certifications provided
- Punch list prepared by Consulting Engineer and Owner

6.5 Substantial Completion
- Record Drawings Submitted and reviewed
- Retainage held for one year

Article 7
Procedure for Payment

7.1 Progress Payments

7.1.1 Design-Build shall submit to Owner on the fifteenth (15th) day of each month, beginning with the first month after the Date of Commencement, Design-Build’s Application for Payment in accordance with the General Conditions of Contract.

7.1.2 Owner shall make payment within forty-five (45) days after Owner’s receipt of each properly submitted and accurate Application for Payment in accordance with the General Conditions of Contract, but in each case less the total of payments previously made, and less amounts properly withheld as retainage. If Owner shall fail to make any payment as required herein, Design-Build may suspend its work until such time as the dispute is resolved.

7.1.3 Payments under this contract shall be paid out in increments as follows:
- 5% - Mobilization/Demobilization (2.5% at notice to proceed, 2.5% at Substantial Completion)
- 3% - Upon completion of the Preliminary Design
- 4% - Upon completion of the Final Design
- 14% - Demolition, Excavation and Bracing Completed
- 5% - Stone Masonry Repair Completed
- 5% - Culvert reinforcing walls and roof completed
- 20% - Abutment walls and placement of backfill completed
- 24% - Concrete deck completed
- 20% - Approach transitions, guardrail, pavement, and facade

7.2 Retainage on Progress Payments

7.2.1 Owner will retain ten percent (10%) of each Application for Payment provided, until substantial completion. The Owner at any time, however, after fifty (50) percent of the work
has been completed, if they find that satisfactory progress is being made, may reduce retainage to five (5) percent.

7.2.2 Upon Substantial Completion of the entire Work, Owner shall release three percent (3%) of total funds to Design-Builder but shall hold the final two percent (2%) until the one year anniversary of substantial completion, at which point Owner shall release all remaining funds. Any and all interest earned by Owner on retainage shall be payable to Design-Builder at the time of final payment.

7.3 Final Payment. Design-Builder shall submit its Final Application for Payment to Owner in accordance with the General Conditions of Contract. Owner shall make payment on Design-Builder’s properly submitted and accurate Final Application for Payment within forty-five (45) days after Owner’s receipt of the Final Application for Payment, provided that Design-Builder has satisfied the requirements for final payment set forth in the General Conditions of Contract.

7.4 Interest. Payments due and unpaid by Owner to Design-Builder, whether progress payments or final payment, shall bear interest commencing thirty (30) days after payment is due at the rate of five percent (5%).

Article 8

Termination of Contract

8.1 Upon ten (10) days’ written notice to Design-Builder, Owner may elect to terminate this Agreement for its convenience or as set out further in Article 1. Such right to terminate shall expire upon Owner’s issuance of a Notice to Commence Construction. In the event Owner terminates, Owner shall pay Design-Builder for the time, material, labor, costs and expenses incurred in connection with the Work completed to date within the total limits for each segment of work set out in Section 7.1.3.

8.2 Owner may not terminate for convenience upon the commencement of construction.

Article 9

Representatives of the Parties

9.1 Owner’s Representatives

9.1.1 Owner designates the individual listed below as its Senior Representative ("Owner’s Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Section 10.2.3 of the General Conditions of Contract:

Cheryl Fournier, City Administrator
300 Main Street
Saco, Maine 04072
9.1.2 Owner designates the individual listed below as its Owner’s Representative, which individual has the authority and responsibility set forth in Section 3.4 of the General Conditions of Contract:

Patrick Fox  
Department of Public Works  
City of Saco  
300 Main Street  
Saco, Maine 04072

9.2 Design-Builder’s Representatives

9.2.1 Design-Builder designates the individual listed below as its Senior Representative ("Design-Builder’s Senior Representative"), which individual has the authority and responsibility for resolving disputes under Section 10.2.3 of the Contract documents:

E. Davies Allan  
President  
Chesterfield Associates, Inc.  
123 West Shore Road  
Westport Island, Maine 04578

9.2.2 Design-Builder designates the individual listed below as its Design-Builder’s Representative, which individual has the authority and responsibility set forth in Section 2.1.1 of the General Conditions of Contract:

______________
______________

Article 10  
Bonds and Insurance

10.1 Insurance. Design-Builder shall procure the following insurance coverages:

1. Comprehensive General Liability of not less than $1,000,000.00 per occurrence with completed product and operations endorsement of not less than $5,000,000.00 with a term of coverage of not less than 1 year.

2. Automobile Liability of not less than $1,000,000.00 per occurrence

3. Umbrella Policy coverage of $5,000,000.00

4. Workers Compensation of not less than $1,000,000.00 per claim
10.1.1 Design-Builders’ designated Engineer shall also have the following separate insurance coverages:

1. Comprehensive General Liability of not less than $1,000,000.00 per occurrence

2. Professional Liability / Errors and Omissions coverage of not less than $2,000,000.00

10.1.2 All policies and coverages shall name the City of Saco as an additional insured, and shall include completed products and operations coverage. All policies shall be placed with firms licensed to do business in Maine and with ratings of AAA, or comparable, from firms such as Moody’s, A.M. Best, Fitch’s or Standard and Poors.

10.1.3 With the exception of the completed product and operations coverage discussed in Section 10.1, all policies must remain in force and effect for the term of this Agreement and until such time as the Work is turned over to the Owner. Any extensions of coverage periods afforded by applicable completed products and operations endorsements required herein above shall notwithstanding the preceding.

10.1.4 The Parties agree Designer-Builders’ coverages are intended, and will be deemed and treated for all purposes, as primary and non-contributory coverage.

10.1.5 Designer-Builders waive all claims to subrogation as to Workers Compensation Coverage and as to Comprehensive General Liability Coverage described above.

10.2 Bonds and Other Performance Security. Design-Builders shall provide a performance bond and labor and material payment bond each in an amount not less than $839,500.00. All such bonds shall be from companies licensed to do business in the State of Maine, and with ratings of AAA, or comparable, as determined by firms such as A.M. Best, Moody’s, Standard and Poors or Fitch’s.

Article 11

Other Provisions

11.1 Other provisions are as follows:

11.1.1 Standard of Care and Performance. Design-Builder, and its consultants and contractors, shall perform all work and services hereunder, including both design and construction work, in a manner consistent with the standard of professional care, skill and workmanship that is customary for projects of this type and complexity, whether undertaken in New England or in any other portion of the United States.

11.1.2 Indemnity. Design-Builders covenants and agrees it shall defend, indemnify and hold Owner harmless from any and all claims, demands, suits, judgments, causes of action,
loss, injury, death or damages (“Claims”), including claims for attorneys fees, whether to persons or property, caused by or arising from Designer-Builder’s undertakings or work pursuant to this agreement, including those claims arising from its negligence, or the negligence of one of its agents, employees or subcontractors.

11.1.3 Copyright. Designer-Builder covenants that it will not supply or deliver to Owner, nor incorporate into the Project, any material, drawing, design or other work product that is protected by patent or copyright. Design-Builder further covenants that it will only supply, deliver, use and incorporate into the Project materials, designs and other work product with which it holds full right and title or permission of use.

11.1.4 Dispute Resolution. If the Parties have a dispute, the individuals identified in Section 9.1.2 and 9.2.2 shall meet to resolve it, if possible. If these individuals are unable to resolve the dispute, the Parties agree in advance to enter into non-binding mediation in Portland, Maine before an experienced mediator or attorney jointly selected by the Parties and whose fees shall be jointly shared by the Parties. Each side shall pay their own costs and attorneys fees. If mediation of not less than one day fails to resolve the dispute, the Parties may thereafter pursue any rights they may possess in Court or against any insurance or bonding all as further allowed but any lawsuit, by agreement, must be commenced in York or Cumberland County Maine, and Maine Law shall be applied.

11.1.5 Authority to Execute and Deliver. In executing this Agreement, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

CITY OF SACO:                CHESTERFIELD ASSOCIATES, INC.:

(Signature)                   (Signature)

Cheryl Fournier            (Printed Name), Its President
City Administrator

Date: ___________________ Date: ___________________

Revised: July 1, 2015
Stackpole Creek Bridge Proposal Status
July 17, 2015

What has the City done to try to secure a contract since Bid Award to Chesterfield?

Since the notice of award letter to Chesterfield on May 15th the City has invested more time and resources into arriving at a contract document than for any other construction project over the past 20 years. Given the unusual nature of the proposed rehabilitation approach, the City immediately reached out to our two largest retained engineering firms soliciting experts in the area of stone bridge rehabilitation. Two firms had qualified personnel, but in the end, James Walrath of CDM Smith was clearly the most qualified for this particular project. The City and CDM Smith arrived at an agreed upon scope of services for reviewing this proposal, and Chesterfield was made aware that the City would need to have CDM’s initial review of the proposal in hand to finalize the contract because Chesterfield’s initial proposal was not adequate for a preliminary design submission, as required in the RFP. CDM furnished a review letter detailing every aspect of what would be required for a preliminary design on June 8th. The City then completed drafting of a contract document that incorporated this letter to provide clarity of what would be required of the designer for adequate review to occur. The contract also elaborated on items not detailed in the general RFP, including: progress payment schedules; contract time and methods to extend if necessary, project sequence, and required approvals. The first contract draft was sent to Chesterfield on June 12, 2015. Chesterfield took exception to many items in the Contract document. The demand from Chesterfield for items to be removed from the contract was unique. There are very few, if ever, requests for changes to the contract document from a contractor working for the City. City staff has since attempted two additional contract versions attempting to move this project forward with the selected contractor to no avail.

Chesterfield’s contract demands and work process remain out of line with industry practices and City interests.

What does the City have the right to do?

3.2.6 Owners Rights - The Owner may then take any action that is in its best interest as determined by the Owner including awarding the Contract to any other Proposer or rejecting all Proposals and re-advertising the Work. Any Proposer failing to fulfill the award conditions or execute the Contract shall be prohibited from submitting a new proposal for the same work in the event that work is re-advertised.

Until award of the Contract, the Owner reserves the right to reject any or all Proposals, to waive technicalities, or to advertise for new proposals, if the best interests of the Owner will be promoted.

What are the City’s options to move forward?

City Council should be the body to decide the City’s next steps with regard to this project. Staff has reached the conclusion that it is not in the best interest of the City to enter into contract with Chesterfield. There are no positive attributes to their design/build team, experience with this type of work, or approach to this project, other than the dollar value of their initial cost proposal.

Next steps could include:

- Enacting the City’s right to reject all proposals and rebid the project based on failure of the contractor to sign a contract in a timely manner.
- Staying committed to a rehabilitation approach, design the project with our qualified review engineer, and bid a City designed rehabilitation project. This will likely cost at least $1.2M.
- Engaging in discussions with other qualified bidders to attempt to secure a contract under this bid process.
- Granting Chesterfield additional time to comply with the City Contract requirements.
Items to keep in mind if the decision to retain Chesterfield is selected:

- Chesterfield has attempted to reduce their responsibility and liability at each step of the project to date, starting with their bid document.
- Chesterfield and JAMM engineering have not attempted to construct their design concept, and do not have recent work of this type to display a capability to do so.
- CDM Smith, a highly qualified and reputable engineering firm, questions the viability of this approach and the proposal that was put forward.
- CDM Smith considers Chesterfield’s requests to date to be highly peculiar with regard to the design and review process.
- Chesterfield has stated that they are seeking a legal opinion on taking action against the City for the contract discussions that have taken place.
- Chesterfield has demonstrated unprofessional behavior in their approach to communicating with the City and has reached out directly to City retained parties to seek varying opinions.
- Chesterfield continues to politically criticize their dealings with Public Works, despite Public Works investing approximately 100 hours, numerous phone conversations, meetings, and over 60 e-mail correspondence attempting to arrive at a signed contract and move forward with Chesterfield.
- Chesterfield’s disdain for CDM’s review letter, suggests that preliminary and final design review documents by CDM will be scrutinized and argued extensively at each turn of this project by Chesterfield.
- Chesterfield has recently proposed contract language that would suggest they question the viability of this project moving through to construction. “Chesterfield will be paid $45,000 should the City, after analysis of engineering submittals, elect not to issue a notice to proceed with on-site work.”

Stackpole Creek Bridge
Contract Negotiations Timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>Correspondence</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/22/2015</td>
<td>Notice of Award signed by Chesterfield</td>
<td>Return of Notice of Award letter signed by Chesterfield (dated 5/18)</td>
</tr>
<tr>
<td>6/1/2015</td>
<td>CDM Smith: scope of review finalized</td>
<td>City agreed to scope of CDM review and validated James Walrath as highly qualified to conduct the review of any historic preservation approach</td>
</tr>
<tr>
<td>6/9/2015</td>
<td>Received CDM Review of Chesterfield Proposal</td>
<td>4 page letter evaluating all items that would be required for CDM to evaluate a rehabilitation design based on the concept</td>
</tr>
<tr>
<td>6/12/2015</td>
<td>Contract document (#1) submitted to Chesterfield</td>
<td>Contract sent to Chesterfield for signatures</td>
</tr>
<tr>
<td>6/16/2015</td>
<td>Proposed contract amendments received from Chesterfield</td>
<td>Desired changes included rewrite of CDM review letter, removal of liquidated damages, payment schedule changes, and insurance changes</td>
</tr>
<tr>
<td>6/18/2015</td>
<td>Contract document (#2) submitted to Chesterfield</td>
<td>2nd contract document, incorporating many of Chesterfield’s requests from their 6/16 letter, and explaining why other sections would remain</td>
</tr>
<tr>
<td>6/23/2015</td>
<td>Contract meeting between City Staff, Chesterfield, and JAMM Engineering</td>
<td>Meeting to discuss the differences in opinion over the contract document. Meeting went will all parties accounts.</td>
</tr>
<tr>
<td>7/2/2015</td>
<td>Contract Document (#3) submitted to Chesterfield</td>
<td>Contract with more concessions by City and cover letter stating this will be the final contract document, sign and return within 10 days per RFP</td>
</tr>
<tr>
<td>7/9/2015</td>
<td>Email from Chesterfield</td>
<td>Assertion by Chesterfield that City has not negotiated in good faith, and notice that Chesterfield is discussing action with legal council</td>
</tr>
<tr>
<td>7/13/2015</td>
<td>Contract signing deadline</td>
<td>Deadline for Chesterfield to return signed contract within 10 days per RFP section 3.2.3</td>
</tr>
<tr>
<td>7/14/2015</td>
<td>Email from Chesterfield</td>
<td>List of remaining demands for Chesterfield to sign a contract, including direct access to our review engineer by their design engineer throughout</td>
</tr>
<tr>
<td>7/17/2015</td>
<td>Letter from Chesterfield</td>
<td>Letter stating willingness to sign contract with City pending removal of Liquidated Damages, Rewrite of CDM letter, and access to CDM engineer.</td>
</tr>
</tbody>
</table>
VII. CONSENT AGENDA

Councilor Smith moved, Councilor Roughan seconded “Be it ordered that the City Council approve the minutes for July 20, 2015. Further move to approve the order. The motion was passed with unanimous consent.

VIII. RECESS THE MEETING AND CONVENE THE WORKSHOP

Councilor Smith moved, Councilor Roughan seconded to recess the meeting and convene the workshop. The motion was passed with unanimous consent. TIME: 7:42 p.m.

Mayor Pilon adjourned the workshop with the unanimous consent of the Council at 10:15 p.m.

IX. EXECUTIVE SESSION

Councilor Roche moved, Councilor Precourt seconded “Be it Ordered that the City Council, pursuant to M.R.S.A. Chapter 18, Subchapter 1, §405 (6) move to enter into Executive Session for (C) discussion about potential acquisition of real estate on Lund Road. The motion passed with seven (7) yeas. TIME: 10:25 p.m.

REPORT FROM EXECUTIVE SESSION

Councilor Precourt moved, Councilor Johnston seconded to move out of Executive Session. The motion passed with seven (7) yeas. TIME: 10:50 p.m.

Mayor Pilon conducted a roll call of the members and determined that the Councilors present constituted a quorum. Councilors present: David Precourt, Leslie Smith Jr., Thomas Roughan, Kevin Roche, Arthur Tardif, Eric Cote and Nathan Johnston. Interim City Administrator Cheryl Fournier was also present.

There was no report this evening

X. ADJOURNMENT

Councilor Precourt moved, Councilor Johnston seconded to adjourn the meeting. The motion passed with seven (7) yeas. TIME: 10:50 p.m.

Attest: __________________________
Michele L. Hughes, City Clerk