

**EASTPORT CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
WEDNESDAY, JULY 24TH, 2013
6:00 P.M. - SHEAD HIGH SCHOOL - BAND ROOM

(PUBLIC HEARING)
“SRF” FUNDING - \$534,000 - WWTP/SEWER**

I. CALL TO ORDER

The meeting was called to order at 6:00 p.m. by the Council President, Mary Repole.

Those present and in attendance were: Councilor Mike Cummings, Councilor Colleen Dana-Cummings, Councilor Scott Emery, Councilor Gilbert Murphy, and Council President, Mary Repole. Also present was City Clerk, Ella Kowal. Those present in the audience were: Jon McNerney.

II. PUBLIC HEARING

The Council President opens the public hearing at 6:01 p.m.

The Council President, Mary Repole, addresses the Council and clarifies that tonight’s meeting is for the purpose of accepting the “SRF” award/loan in the amount of \$534,000 and that Council will be voting as a requirement of the bond bank in their verbage to proceed forward. She further continues to say that Carrie Logan with the Maine Municipal Bond Bank has provided the Council with the *proper* wording as required. Ms. Logan also reminds Council to refer to Section 2.11(6) of the City Charter whereby the authorization of the borrowing of money must be done by *ordinance* which is merely a fancy word for “a very formal written vote that the City’s attorney drafted to comply with the City Charter, which in this case is the bond bank. She reassures us that this has been prepared and drafted to comply with the City’s Charter as referenced in Section 2.12(a) of the Charter. Ms. Logan also informs Council that the ordinance must be introduced by a member of the City Council and that this member name must be reflected in Section 12 of the documentation submitted and references Section 2.12(b) of the Charter to reflect this requirement.

The Council President continues with the *reading of the ordinance*, as submitted by Carrie Logan with the Maine Municipal Bond Bank, for consideration on the *acceptance* of the “SRF” funding in the amount of \$534,000 for the Eastport Wastewater Treatment Plant. She reaffirms that the term “*ordinance*” is not as we know it but rather a legal term for the finance institution for the acceptance of funding.

The Council President reminds Council that they previously met and wanted to move forward in accepting the funding but that legal counsel with the bond bank advised that the publication required a *fourteen day notice* which brings us to the purpose of this evening’s meeting which requires us to be in compliance of the requirements with regard to the financing of the loan.

Council President opens the floor up for comments or questions.

Councilor Dana-Cummings asks for clarification as she is a bit confused and thought this loan was for the Sewer department. Council President reassures her that it is but that it falls under the Clean Water Act. She asks if this is the same loan that all but \$43,000 is forgiven and Council President and Councilor Murphy both confer that this is what the City’s liability would be and that she is accurate in what she’s understanding it to be. Council President expounds on this and reminds Council that this amount is over a ten-year period.

Jon McNerney addresses the Council and asks of his where-abouts and his absence from tonight’s meeting. The Council President and the City Clerk both respond to say that he was at a meeting today that required him to be out of town and from there he would be attending CDBG training for a two-day period. He continues further to say that the documentation speaks of taxation but is for the Sewer plant and wants to know if this should be paid by the general population or should it come out of the Sewer fund. Council concedes that this is where it should be coming from and state that they will make this part of the motion. The City Clerk asks that they make this a separate motion as the Maine Municipal Bond Bank has provided the wording that they need and we do not want to misconstrue or jeopardize what they are asking for. Mr. McNerney asks for clarification of the payback amount and the Council President responds to say that the City Manager is still working on bringing it down but the City’s liability is presently at \$43,000. The further comments to share with the Council that he is aware that there is a maximum limit of borrowing by a municipality and would like to know if this impacts us if it relates to a bond and makes reference to Chapter 7 of Tax Collector’s & Treasurer’s Manual. Council accepts the information brought and informs Mr. McNerney that they will ask the City Manager as he been working with the bond bank on this.

Councilor Dana-Cummings asks for clarification that the \$43,000 will come out of the Sewer budget. Council President responds to say that this is the City's liability at this time but may be subject to change should the City Manager be able to acquire additional forgiveness and that whatever the amount will be; it would be expended over a period of ten years and also reaffirms that it is to come out of the Sewer budget.

Council President, Mary Repole, makes a final call for additional questions or comments.

Council President, Mary Repole, calls for a motion to *come out of the Public Hearing*.

MOTION CUMMINGS SECOND EMERY
To bring the Public Hearing to a close at 6:14 p.m. and to proceed forward with the regular meeting.

III. “ACTION” on PUBLIC HEARING

MOTION MURPHY SECOND CUMMINGS
To *adopt* the City of Eastport Ordinance for the Authorization and Financing of Clean Water Projects through Issuance of a General Obligation Bond in the amount of \$534,000 with the Maine Municipal Bond Bank.

PASSED 5-0

MOTION CUMMINGS SECOND MURPHY
To authorize that the City's financial obligation for the funding of the “SRF” loan/award come specifically out of the Sewer budget.

PASSED 5-0

IV. ADJOURN

MOTION MURPHY SECOND CUMMINGS
To adjourn.

PASSED 5-0 (TIME: 6:16 P.M.)