

Order 145-15/16  
Motion to Postpone to 2/17/2016: 9-0 on 2/1/2016  
Passage: 9-0 on 2/17/2016

Effective 2/27/2016

ETHAN K. STRIMLING (MAYOR)  
BELINDA S. RAY (1)  
SPENCER R. THIBODEAU (2)  
EDWARD J. SUSLOVIC (3)  
JUSTIN COSTA (4)

**CITY OF PORTLAND**  
**IN THE CITY COUNCIL**

DAVID H. BRENERMAN (5)  
JILL C. DUSON (A/L)  
JON HINCK (A/L)  
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER SUBMITTING ELEMENTARY SCHOOL CONSTRUCTION PROJECT BOND**  
**ORDER TO REFERENDUM**

**WHEREAS**, contemporaneously herewith the City Council adopted an order authorizing the design, construction, furnishing and equipping of a new elementary school to replace Hall Elementary School with total project costs in the aggregate not to exceed \$29,720,456 (the "Project"), and further authorizing issuance of the City's bonds in an amount not to exceed \$29,720,456 to finance the costs of the Project (the "School Order") and

**WHEREAS**, Article VII, Section 16 of the City Charter and 20 M.R.S.A. §15904 require that the School Order be submitted to the voters of the City following a public hearing;

**WHEREAS**, the City Council held a public hearing on the School Order at its regular meeting held February 1, 2016;

**NOW, THEREFORE, BY THE CITY COUNCIL OF THE CITY OF PORTLAND BE IT HEREBY ORDERED:**

THAT the City Council hereby submits to the legal voters of the City of Portland in accordance with Article VII, Section 16 of the City Charter and 20-A M.R.S.A. §15904, a proposition for the enactment of the School Order substantially in the form attached hereto as Exhibit A.

THAT the referendum questions be submitted to the voters at a special municipal election to be held on April 5, 2016, for the purpose of voting for or against the enactment of such School Order and the authorization of the project and the financing provided for therein.

THAT the City Manager, Director of Finance and Clerk be and hereby are authorized and directed to undertake all action necessary or appropriate to place said School Order before the voters at such election.

Exhibit A

Question \_\_: Shall the Order entitled "ORDER APPROVING ELEMENTARY SCHOOL CONSTRUCTION PROJECT WITH TOTAL PROJECT COSTS NOT TO EXCEED \$29,720,456 AND AUTHORIZING GENERAL OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED \$29,720,456 THEREFORE", with provisions for early redemption as set forth in said Order be Approved?

- (a) Project Location. The new elementary school and related improvements will be located at and near 23 Orono Road, Portland, Maine.
(b) State/Local and Non-State-Funded (Local Only) Portion of the New Elementary School. The project budget for the new elementary school and related improvement includes \$28,329,971 of state/local costs and \$1,390,485 of non-state-funded (local only) costs.
(c) Responsibility for Bond Payments. The City is responsible for the local share of the annual principal and interest payments for the new elementary school and related improvements included in the total cost of education appropriated pursuant to 20-A M.R.S.A. §15690(1), if any, and for the annual principal and interest payments for the non-state-funded (local only) portion of the new elementary school construction project.
(d) Additional Operating Costs. The estimated amount of the additional operating costs of the new elementary school and related improvements following completion of construction is \$ [redacted] for the first year and \$ [redacted] for the second year. The entire additional operating costs of the new elementary school during its first two years shall be borne by the City.

FINANCIAL STATEMENT PURSUANT TO 30-A M.R.S. § 5772(2-A)

The undersigned Director of Finance of the City of Portland hereby provides the following statement as required by 30-A MRSA §5772(2-A).

A. City Debt:

Table with 2 columns: Description and Amount. Rows: 1. Bonds outstanding and unpaid: \$ \_\_\_\_\_; 2. Bonds authorized but unissued: \_\_\_\_\_; 3. Bonds to be issued if the Order is approved: \$29,720,456

B. Costs:

The anticipated average interest rate on the proposed bonds is 4.00%. The actual interest rate will be determined at the time the bonds are sold. Assuming level principal payments over a twenty (20) year term, the estimated cost of the new bonds is:

Table with 2 columns: Description and Amount. Rows: Bond Principal: \$29,720,456; Estimated Interest Cost: \$13,268,564; Total Estimated Debt Service: \$42,989,020

C. Validity:

The foregoing represents an estimate of costs associated with the financing and the actual costs may differ due to changes in term and maturities of the bonds and market conditions. Under Maine law, the validity of the bonds and the voters' ratification of the bonds will not be affected by any errors in the foregoing estimates and the ratification of the voters is conclusive and the validity of the bonds is not affected by reason of any variance of actual costs or total debt service from the estimates provided above.

By: \_\_\_\_\_
Brendan T. O'Connell
Director of Finance