

**Town Council Meeting
DRAFT Minutes
April 22, 2013**

The meeting was called to order at 7:02pm.

Roll Call

Councilors Farber, Payne, Pierce, Rodden, Varney, and Mahoney were present and answering roll call.

Councilor Orestis arrived late.

Pledge of Allegiance

Chair Varney led those present in the Pledge of Allegiance.

Public Forum

Bill Beyer of Blackstrap Road shared the results of a survey he conducted in the first week of April of Falmouth residents 60 and over. Of 41 respondents, 14.6 % found no challenge paying their taxes, 43.9% had some challenge, and 41.5% found it to be a considerable challenge.

Mike Doyle of Shady Lane has lived in Falmouth for 34 years. He spoke of the school consolidation process a few years ago and his attendance at Council and School Board meetings since then. He argued that the mil rate for the school budget has gone up 19.2 % in the last 3 years. He is running for School Board again this year.

**Item 1 (a) Order to approve the minutes of the March 11, 2013, Town Council
(Consent Agenda) Meeting.**

**Item 1 (b) Order to approve the minutes of the March 14, 2013, Town Council
(Consent Agenda) Meeting.**

**Item 1 (c) Order to set FY14 real and personal property tax due dates.
(Consent Agenda)**

**Item 1 (d) Order to appoint election workers for the June 11, 2013 election.
(Consent Agenda)**

Councilor Rodden moved the consent agenda; Councilor Pierce seconded. Motion carried 6-0.

**Item 2 Report from Council Committees and liaisons regarding updates on
 assignments.**

Town Manager Nathan Poore said close to 300 people attended the recent forum held by the School Board. It was a successful event.

Chair Varney said the Library is holding a fundraiser this evening.

Councilor Rodden reported that ecomaine approved the budget at their last meeting; finance staff did an individual analysis of the fees from 2010 – 2014. They have decided to cut back the assessments for the towns; for Falmouth the assessment has dropped 50% from 2010 to 2014. Tipping fees have dropped from \$188,000 in 2010 to \$140,000 in 2014, due to the smaller amount of trash the town is sending.

Item 3 Report from the Appointments Committee and order relative to filling various vacancies on Boards and Committees.

Councilor Pierce said the committee recommended the appointment of Aaron Svedlow to the Conservation Commission.

Councilor Farber moved the appointment; Councilor Rodden seconded. Motion carried 6-0.

Item 4 Joint public hearing with the Planning Board for a series of amendments to the Zoning and Site Plan Review Ordinance and the Code of Ordinances to replace the SB District on Route One with new Village Center Districts.

The Planning Board was not present.

Councilor Rodden spoke about the proposed amendments. This would create three districts: VC-1 from Bucknam to Fundy will be a denser, walkable area. VC-2 will be from Fundy South. The goal is to make the area more village-like, adding density and mixed uses. The amendment will create more flexibility for property owners.

Chair Varney opened the public forum.

Mike Doyle of Shady Lane was against apartment complexes in the town. He felt making land more scarce would make it more expensive.

Adrian Fox of Route 1 has lived in Falmouth for 15 years. He supported the commercialization of Falmouth. He didn't think village and commercialization went together; if they want to bring commercial use in town, they shouldn't call it a village. Building stores that look like Staples, with colonial architecture on the front, doesn't make it a village. He pointed out that narrowing the roadway as a traffic calming measure is more dangerous to cyclists and encourages people to avoid the road by using side streets.

Public forum closed.

Councilor Rodden explained that the Planning Board was unable to get a quorum this evening so the MRA public hearing has been rescheduled for their regular meeting on May 7.

The Council discussed scheduling the order.

Councilor Farber asked why a drive-thru restaurant is a conditional use in VC-2 and not allowed in VC-1.

Councilor Rodden explained that VC-1 is more pedestrian-oriented. Those restaurants that are already located there would be allowed to remain. VC-2 is more automobile-oriented, so drive-thru restaurants would be allowed with a conditional use permit.

Councilor Farber said additions of 50% or less to existing non-conforming buildings are exempt from setbacks. She wondered what the goal of this section is.

Councilor Rodden said if the addition is small enough the building doesn't have to comply with the setbacks as long as there is pedestrian access from the sidewalk. Councilor Pierce said the goal was to provide flexibility to the property owner.

Councilor Farber was concerned with the percentage: 50% doesn't necessarily mean a small addition. Councilor Rodden said they have struggled with how to quantify when the requirements kick in.

Councilor Farber asked about the reference to murals; advertising can become art and she wasn't sure there was a clear separation between art and advertising. Councilor Payne said the concept was to allow such things as the trompe l'oeil mural in Portland.

Councilor Rodden said murals have to be approved by the permitting authority and cannot be used as signage. They have faith in the Planning Board to make that determination.

Councilor Farber asked if there are ways to make the recommendation on green roofs stronger; it currently says "encourage".

Councilor Payne said there isn't. The CDC discussed this issue: they either encourage them or mandate them. They didn't want to mandate the treatment of a roof.

Councilor Farber was thinking less about a requirement and more about incentivizing. Councilor Pierce said they discussed incentivizing, but felt it was too much to take on at this time.

Councilor Farber suggested that, instead of encouraging indigenous species in the landscaping guidelines, they could prohibit the use of invasive plants as outlined by the DEP.

The CDC agreed to incorporate that change.

Councilor Farber wondered why no signs would be allowed above the second floor. Councilor Rodden said they are trying to be pedestrian oriented; limiting signs to the lower levels is directing them to people on the street.

Councilor Farber wondered about third story businesses; she thought it would be difficult for them if they don't have a sign. Councilor Mahoney agreed.

Councilor Pierce said they were also trying to mitigate clutter. Councilor Rodden felt they would have the ability for other signage, a wall directory for example.

Councilor Farber felt that people will still be in cars, and signage is a courtesy for drivers and bikers. She hoped CDC would rethink the provision.

Councilor Farber asked about the wording in section 9.7.a; she wondered if the goal was to preserve the landscaping.

Councilor Pierce felt that if the building is moving toward the street, they would allow the property owner to remove the landscaping. The CDC agreed that the wording was a bit awkward and they would work on cleaning it up.

Councilor Farber asked if they could add a reference to the invasive species list to section 9.28.

Councilor Rodden said the CDC is meeting Wednesday at 4pm and they will discuss these issues then.
An order was scheduled for May 13.

Item 5 Public Hearing and Order relative to a new victualer/food service license for Ted's Hot Dog Cart.

Chair Varney opened the public hearing.

Ted Adams, applicant, explained that he wants to open a hot dog cart at 405 US Route 1, the Street Cycles location. He plans a simple menu, offering hot dogs with the usual toppings, as well as a few healthy options. He will be open Tues-Sat, from approximately 11:00 to 2:30 pm. He is planning to be located at Street Cycles only and he has the permission of the property owner. He will be available for parties as well.

Councilor Payne asked if set hours and a set location falls under the ordinance language for a food cart. Mr. Poore said there were no restrictions in the ordinance; the Council could add that as a condition if they wish.

Councilor Rodden moved to approve the order; Councilor Farber seconded. Motion carried 6-0.

Item 6 Public hearing on a proposed amendment to the Code of Ordinances to create a new Land Management and Acquisition Committee which will elevate the current Land Management Team to a Council appointed committee by consolidation and replacement of the existing Falmouth Trails Advisory Committee (FTAC) and Open Space Implementation Sub-Committee (OSIC).

Chair Varney opened the public hearing.

Mike Doyle of Shady Lane felt the Town should stop buying open space. Removing land from the tax rolls need to be stopped or greatly curtailed.

Public hearing closed.

Councilor Pierce appreciated the changes that were made, but wondered why it was reduced from 7 to 5 members. Councilor Mahoney said changing several roles from regular members to ex officio made it difficult to fill 7 seats. There will be 5 voting members, but 8-9 people participating.

Councilor Payne asked about the participation of a realtor on the committee. Councilor Mahoney said it was focused on having someone that is in the business of real estate and has a knowledge and appreciation of what the available lots and trends are.

Mr. Poore said it is consistent with and taken out of the *Greening of Falmouth*.

Councilor Pierce said they have made it a suggestion to have a real estate person, and not mandatory.

Councilor Mahoney said this is as much about management as it is about acquisition, which is the real challenge moving forward. Councilor Farber said the creation of this committee in no way changes the role of the Council in making expenditures and approving acquisitions.

Councilor Payne said he has asked where the finish line is for setting aside open space land in Falmouth. He hoped the Council moving forward would give that some thought.

An order was scheduled for May 13.

Item 7 Order to amend the June 11, 2013 referendum question pertaining to the proposed Route One South Infrastructure Project.

Mr. Poore said the Council approved the referendum question at the last meeting. Technically the Council is not required to approve the language and the treasurer's statement but it seemed prudent given the complexity of the issue. This is an amendment to the treasurer's statement to reflect that the State approved the TIF amendment last week.

Councilor Farber moved the amendment; Councilor Payne seconded.

The Council asked several questions about the letter from the State.

Councilor Orestis arrived at the meeting.

Motion carried 6-0. (Orestis abstained)

Councilor Orestis abstained as he had just arrived.

Chair Varney moved an amendment to the Treasurer's statement, as submitted by resident Lisa Preney (amendment in italics):

1. Based upon current and projected cash flows to the Route One South Tax Increment Financing District (TIF) account, it is anticipated that the TIF account revenues will be sufficient to cover the borrowing costs associated with the Project without increasing the property tax rate *unless future TIF account revenues are insufficient, in which case property taxes may be increased and/or other material steps taken to cover the debt service on borrowed funds.*

Councilor Payne seconded for purposes of discussion.

Councilor Mahoney felt they had this discussion at the last meeting and decided not to do it.

Motion failed 1-6 (Payne).

Item 8 Public Hearing and Orders regarding the June 11, 2013 referendum questions regarding two Middle School Construction Projects. This Public Hearing is in accordance with M.R.S.A 30-A § 2525 (5).

Chair Varney opened the public hearing; there was no public comment.

Councilor Pierce moved order 104-2013; Councilor Rodden seconded. Motion carried 7-0.

Councilor Pierce moved order 105-2013; Councilor Payne seconded. Motion carried 7-0.

Councilor Pierce moved order 102-2013; Councilor Farber seconded. Motion carried 7-0.

Councilor Pierce moved order 103-2013; Councilor Rodden seconded. Motion carried 7-0.

Orders follow, in order of adoption:

**TOWN OF FALMOUTH
ORDER NO 104-2013**

**AUTHORIZING CLASSROOM AND ROOF RENOVATIONS
AT FALMOUTH MIDDLE SCHOOL**

Order authorizing renovations and improvements to the Falmouth Middle School including renovations and upgrades to science and music classroom space and renovations and related structural upgrades to the roofs of the library, cafeteria and lower gymnasium (the "Project") and the issuance of general obligation bonds in an amount not to exceed \$1,750,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs.

Be it ORDERED by the Town Council of the Town of Falmouth, Maine in Town Council assembled, that:

Pursuant to 30-A M.R.S. § 5772, the Charter of the Town of Falmouth and all other authority thereto enabling and subject to the approval of the voters of the Town of Falmouth at a referendum election held pursuant to Section 903 of the Charter of the Town of Falmouth, the Town Council hereby authorizes renovations and improvements to the Falmouth Middle School including renovations and upgrades to science and music classroom space and renovations and related structural upgrades to the roofs of the library, cafeteria and lower gymnasium (the "Project") and the issuance of general obligation bonds in an amount not to exceed \$1,750,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs.

Be it FURTHER ORDERED:

1. That the Treasurer be and hereby is authorized to prepare, issue, and sell such bonds (hereinafter, the "Bonds") at one time, or from time to time, as one or more separate bond issues, and to determine the date(s), form, interest rate(s), maturities (with the last maturity not to exceed 20 years from the issue date of the Bonds or any series of Bonds) and all other details of each issue of Bonds, including the form and manner of their sale and award, subject to the provisions of law, the Town Charter and this Order.
2. That the Treasurer be and hereby is authorized to borrow money in anticipation of said Bonds by the issuance and sale of notes or renewal notes, as a single issue or in series, in anticipation of said Bonds in such minimum denominations as the Treasurer shall approve, and to determine the date(s), form, interest rate(s), maturities (with the last maturity, including renewals thereof, not to exceed 3 years from the issue date of said note) and all other details of each issue of notes, including the form and manner of their sale and award, subject to the provisions of the law, the Town Charter and this Order.
3. That the maturity(ies), interest rate(s) and sale price of the Bonds and notes herein authorized shall be either set out to bid or negotiated by the Treasurer in such manner as he deems appropriate and in the best interest of the Town and the financing of the Project and the Treasurer be and hereby is authorized to provide that any of the Bonds and notes herein authorized be made callable, with or without premium, prior to their maturity, and each Bond or note issued hereunder shall be signed by the Treasurer, countersigned by the Chairperson of the Town Council, sealed with the seal of the Town, attested by its Clerk, and otherwise to be in such form and contain such terms and provisions, not inconsistent herewith, as they shall approve, their approval to be conclusively evidenced by their execution thereof.
4. That the Treasurer is authorized to negotiate, execute, and deliver, in the name of and on behalf of the Town such contracts, agreements, and other documents, including agreements, contracts, leases, instruments, documents and certificates as may be necessary or appropriate as determined and approved by the Treasurer in connection with the financing of the Project and the issuance of the Bonds and note herein authorized, which documents shall be in such form and contain such terms and conditions, not inconsistent herewith, as may be approved by the Treasurer such approval to be conclusively evidenced by his execution thereof.

5. That the Treasurer be and hereby is authorized to select the underwriter for the Bonds and notes herein authorized and the Treasurer be and hereby is authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith.

6. That the Treasurer be and hereby is authorized to prepare, or cause to be prepared, a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and notes herein authorized, such Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer, with the advice of the bond counsel for the Town, and that the use and distribution of the Preliminary Official Statement and the Official Statement in the name of and on behalf of the Town in connection with offering the Bonds and notes for sale be and hereby is approved.

7. That the Treasurer be and hereby is authorized as necessary to select the registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds and notes herein authorized and to execute and deliver such contracts and agreements as may be necessary or appropriate to secure their services.

8. That the Bonds and notes herein authorized shall be transferable only on the registration books of the Town kept by the transfer agent, and said principal amount of the bonds of the same maturity (but not of other maturity) in such minimum denominations as the Treasurer, in his discretion, may approve upon surrender thereof at the principal office of the transfer agent, with a written instrument of transfer satisfactory to the transfer agent duly executed by the registered owner or his attorney duly authorized in writing. Upon each exchange or transfer of a bond the Town and the Transfer Agent shall make a charge sufficient to cover any tax, fee or any other governmental charge required to be payable with respect to such exchange or transfer, and with respect to such exchange or transfer, and subsequent to the first exchange or transfer, the cost of preparing new bonds upon exchanges or transfer thereof to be paid by the person requesting the same.

9. That, the Treasurer be and hereby is authorized to undertake all acts necessary to provide for the issuance and transfer of such Bonds in book-entry form pursuant to the Depository Trust Company Book-Entry Only System, as an alternative to the provisions of the preceding paragraph above regarding physical transfer of Bonds, and the Treasurer be and hereby is authorized and empowered to enter into a Letter of Representation or any other contract, agreement or understanding necessary or, in his opinion, appropriate in order to qualify the Bonds for and participate in the Depository Trust Company Book-Entry Only System.

10. That the Treasurer and Chairperson of the Town Council from time to time shall execute such Bonds and notes as may be required to provide for exchanges or transfers of the Bonds and notes herein authorized, all such Bonds or notes to bear the original signature of the Treasurer and Chairperson of the Town Council, sealed with the seal of the Town, attested by its Clerk and in case any officer of the Town whose signature appears on any Bond shall cease to be such officer before the delivery of said Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery thereof.

11. That the Treasurer be and hereby is authorized and directed to covenant and certify on behalf of the Town that no part of the proceeds of the issue and sale of the Bonds and notes herein authorized shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Bonds or notes to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141 and 148 of the Internal Revenue Code of 1986, as amended.

12. That the officers executing the Bonds and notes herein authorized be and hereby are individually authorized to covenant and agree, on behalf of the Town, for the benefit of the holders of such Bonds or notes, that the Town will file any required reports and take any other action that may be necessary to insure that interest on the Bonds or notes will remain exempt from federal income taxation, and that the Town will refrain from any action that would cause interest on the Bonds or notes to be subject to federal income taxation;

13. That the officers executing the Bonds and notes herein authorized be and hereby are individually authorized to covenant, certify and agree, on behalf of the Town, for the benefit of the holders of such Bonds and notes, that the Town 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.

14. That an amount sufficient for the payment of the annual payments of principal and interest on the Bonds and any notes issued hereunder, not payable from other sources, shall be included in the tax levy of each year until the debt represented by said Bonds and notes is extinguished.

15. That the Bonds and notes herein authorized by this Order are in addition to any other indebtedness authorized for the same or similar purposes.

16. That any or all of the Bonds and notes issued hereunder may be consolidated with and become a part of any other issue of temporary notes or general obligation bonds authorized to be issued by any previous or subsequent order of the Town Council of the Town of Falmouth.

17. That the term "cost" or "costs" as used herein and applied to the Project, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Project; (2) the cost of construction, building, alteration, enlargement, reconstruction, renovation, improvement, and equipping of the Project; (3) the cost of all appurtenances and other facilities either on, above, or under the ground which are used or usable in connection with the Project; (4) the cost of landscaping, site preparation and remodeling of any improvements or facilities; (5) the cost of all labor, materials, building systems, machinery and equipment; (6) the cost of land, structures, real property interests, rights, easements, and franchises acquired in connection with the Project; (7) the cost of all utility extensions and site improvements and development; (8) the cost of planning, developing, preparation of specifications, surveys, engineering, feasibility studies, legal and other professional services associated with the Project; (9) the cost of environmental studies and assessments; (10) the cost of financing charges and issuance costs, including premiums for insurance, interest for a period not to exceed three years from the issue date of the Bonds, and for any additional period permitted under Section 148 of the Internal Revenue Code of 1986, as amended, underwriters' fees and costs, legal and accounting fees and costs, application fees, and other fees and expenses relating to the financing transaction; and (11) the cost of all other financing authorized hereunder, whether related or unrelated to the foregoing.

18. That the Treasurer be and hereby is authorized and empowered to take all such action as may be necessary to designate the Bonds and notes herein authorized as qualified tax exempt obligations for purposes of Section 265(b) of the Code; it being the Town Council's intention that the Treasurer, with advice of bond counsel, make the required Section 265(b) election with respect to such Bonds and notes to the extent the election may be available and advisable as determined by the Treasurer.

19. That if any of the officers or officials of the Town who have signed or sealed the Bonds or notes herein authorized shall cease to be such officers or officials before such Bonds and notes so signed and sealed shall have been actually authenticated or delivered by the Town, such Bonds and notes nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds or notes had not ceased to be such officer or official; and also any such Bonds or notes may be signed and sealed on behalf of the Town by those persons who, at the actual date of the execution of such Bonds or notes, shall be the proper officers and officials of the Town, although at the nominal date of such Bonds or notes any such person shall not have been such officer or official.

20. That the Treasurer, Chairperson of the Town Council and Clerk and other proper officials of the Town be, and hereby are individually authorized and empowered in its name and on its behalf to do or cause to be done all such acts and things, not inconsistent herewith, as may be necessary or desirable in order to effect the issuance, sale and delivery of the Bonds and notes herein authorized.

21. That if the Treasurer, Chairperson of the Town Council or Clerk are for any reason unavailable to approve and execute the Bonds and notes herein authorized or any other documents necessary or convenient to the issuance, execution and delivery of the Bonds or notes, the person or persons then acting in any such capacity, whether as an

assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had performed such act.

22. That the proceeds of the Bonds and notes issued hereunder and the investment earnings on the proceeds of the Bonds and notes issued hereunder, if any, and the excess proceeds of the Bonds and notes issued hereunder, if any, be and hereby are appropriated for the following purposes, such proceeds to be held and applied in the following order of priority:

1. To any costs of the Project in excess of the principal amount of the Bonds or notes;
2. In accordance with applicable terms and provisions of the Arbitrage and Use of Proceeds Certificate delivered in connection with the sale of the Bonds or notes including, to the extent permitted thereunder, to the Town's general fund.

23. That it is the intent of the Town Council that this Bond Order shall constitute the Town's declaration of official intent within the meaning of Treasury Regulation 1.150-2.

**TOWN OF FALMOUTH
ORDER NO 105-2013**

REFERENDUM QUESTION 5

BE IT HEREBY ORDERED THIS 22nd DAY OF APRIL, 2013, BY THE FALMOUTH TOWN COUNCIL, FALMOUTH MAINE, IN TOWN COUNCIL ASSEMBLED:

That the question set forth below be placed on the ballot for the Town of Falmouth Election to be held on June 11, 2013 and that an attested copy of this Order be placed on file with the Town Clerk of the Town of Falmouth.

Question 5: Shall the Order entitled: "Order authorizing renovations and improvements to the Falmouth Middle School including renovations and upgrades to science and music classroom space and renovations and related structural upgrades to the roofs of the library, cafeteria and lower gymnasium (the "Project") and the issuance of general obligation bonds in an amount not to exceed \$1,750,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs" be adopted?

Town Council Recommendation: The Town Council recommends approval of Question 5.

School Board Recommendation: The School Board recommends approval of Question 5.

Treasurer's Statement

The undersigned Treasurer of the Town of Falmouth hereby provides the following statement as required by 30-A MRSA §5772(2-A). As of April 22, 2013:

1. The Town has \$47,560,000 of general obligation bonds outstanding and unpaid.
2. The Town has \$2,000,000 of general obligation bonds authorized but unissued.
3. The total amount of general obligation bonds contemplated to be issued if Question 5 is adopted is \$1,750,000.

4. The interest cost will depend on the prevailing interest rates at the time the bonds are issued. Assuming a borrowing of the full \$1,750,000 proposed to be authorized, level principal payments over a 20-year term and an average annual interest rate of 3.45%, the interest cost associated with the borrowing would be \$634,156, which would result in a total cost of principal and interest to be paid at maturity of \$2,384,156.

The foregoing represents an estimate of costs associated with the financing and such estimates will change due to market conditions. The validity of the voters' ratification of the bonds shall not be affected by any errors in the foregoing estimates. The ratification by the voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of any variance of actual costs from the estimates provided hereinabove.

Treasurer, Town of Falmouth

**TOWN OF FALMOUTH
ORDER NO 102-2013**

**AUTHORIZING ENERGY CONSERVATION
AND HEATING SYSTEM IMPROVEMENTS**

Order authorizing energy conservation and heating system improvements at the Falmouth Middle School including conversion of the heat distribution system from steam to hot water, installation of a new domestic hot water system, installation of an energy efficient window wall system and connection of the Middle School biomass boiler to the Elementary School and High School heat distribution system (the "Project") and the issuance of general obligation bonds in an amount not to exceed \$3,250,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs.

Be it ORDERED by the Town Council of the Town of Falmouth, Maine in Town Council assembled, that:

Pursuant to 30-A M.R.S. § 5772, the Charter of the Town of Falmouth and all other authority thereto enabling and subject to the approval of the voters of the Town of Falmouth at a referendum election held pursuant to Section 903 of the Charter of the Town of Falmouth the Town Council hereby authorizes energy conservation and heating system improvements at the Falmouth Middle School including conversion of the heat distribution system from steam to hot water, installation of a new domestic hot water system, installation of an energy efficient window wall system and connection of the Middle School biomass boiler to the Elementary School and High School heat distribution system (the "Project") and the issuance of general obligation bonds in an amount not to exceed \$3,250,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs.

Be it FURTHER ORDERED:

1. That the Treasurer be and hereby is authorized to prepare, issue, and sell such bonds (hereinafter, the "Bonds") at one time, or from time to time, as one or more separate bond issues, and to determine the date(s), form, interest rate(s), maturities (with the last maturity not to exceed 20 years from the issue date of the Bonds or any series of Bonds) and all other details of each issue of Bonds, including the form and manner of their sale and award, subject to the provisions of law, the Town Charter and this Order.

2. That the Treasurer be and hereby is authorized to borrow money in anticipation of said Bonds by the issuance and sale of notes or renewal notes, as a single issue or in series, in anticipation of said Bonds in such minimum denominations as the Treasurer shall approve, and to determine the date(s), form, interest rate(s), maturities (with the last maturity, including renewals thereof, not to exceed 3 years from the issue date of said note) and all other details of each issue of notes, including the form and manner of their sale and award, subject to the provisions of the law, the Town Charter and this Order.

3. That the maturity(ies), interest rate(s) and sale price of the Bonds and notes herein authorized shall be either set out to bid or negotiated by the Treasurer in such manner as he deems appropriate and in the best interest of the Town and the financing of the Project and the Treasurer be and hereby is authorized to provide that any of the Bonds and notes herein authorized be made callable, with or without premium, prior to their maturity, and each Bond or note issued hereunder shall be signed by the Treasurer, countersigned by the Chairperson of the Town Council, sealed with the seal of the Town, attested by its Clerk, and otherwise to be in such form and contain such terms and provisions, not inconsistent herewith, as they shall approve, their approval to be conclusively evidenced by their execution thereof.

4. That the Treasurer is authorized to negotiate, execute, and deliver, in the name of and on behalf of the Town such contracts, agreements, and other documents, including agreements, contracts, leases, instruments, documents and certificates as may be necessary or appropriate as determined and approved by the Treasurer in connection with the financing of the Project and the issuance of the Bonds and note herein authorized, which documents shall be in such form and contain such terms and conditions, not inconsistent herewith, as may be approved by the Treasurer such approval to be conclusively evidenced by his execution thereof.

5. That the Treasurer be and hereby is authorized to select the underwriter for the Bonds and notes herein authorized and the Treasurer be and hereby is authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith.

6. That the Treasurer be and hereby is authorized to prepare, or cause to be prepared, a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and notes herein authorized, such Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer, with the advice of the bond counsel for the Town, and that the use and distribution of the Preliminary Official Statement and the Official Statement in the name of and on behalf of the Town in connection with offering the Bonds and notes for sale be and hereby is approved.

7. That the Treasurer be and hereby is authorized as necessary to select the registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds and notes herein authorized and to execute and deliver such contracts and agreements as may be necessary or appropriate to secure their services.

8. That the Bonds and notes herein authorized shall be transferable only on the registration books of the Town kept by the transfer agent, and said principal amount of the bonds of the same maturity (but not of other maturity) in such minimum denominations as the Treasurer, in his discretion, may approve upon surrender thereof at the principal office of the transfer agent, with a written instrument of transfer satisfactory to the transfer agent duly executed by the registered owner or his attorney duly authorized in writing. Upon each exchange or transfer of a bond the Town and the Transfer Agent shall make a charge sufficient to cover any tax, fee or any other governmental charge required to be payable with respect to such exchange or transfer, and with respect to such exchange or transfer, and subsequent to the first exchange or transfer, the cost of preparing new bonds upon exchanges or transfer thereof to be paid by the person requesting the same.

9. That, the Treasurer be and hereby is authorized to undertake all acts necessary to provide for the issuance and transfer of such Bonds in book-entry form pursuant to the Depository Trust Company Book-Entry Only System, as an alternative to the provisions of the preceding paragraph above regarding physical transfer of Bonds, and the Treasurer be and hereby is authorized and empowered to enter into a Letter of Representation or any other contract, agreement or understanding necessary or, in his opinion, appropriate in order to qualify the Bonds for and participate in the Depository Trust Company Book-Entry Only System.

10. That the Treasurer and Chairperson of the Town Council from time to time shall execute such Bonds and notes as may be required to provide for exchanges or transfers of the Bonds and notes herein authorized, all such Bonds or notes to bear the original signature of the Treasurer and Chairperson of the Town Council, sealed with the seal of the Town, attested by its Clerk and in case any officer of the Town whose signature appears on any Bond shall cease to be such officer before the delivery of said Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery thereof.

11. That the Treasurer be and hereby is authorized and directed to covenant and certify on behalf of the Town that no part of the proceeds of the issue and sale of the Bonds and notes herein authorized shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Bonds or notes to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141 and 148 of the Internal Revenue Code of 1986, as amended.

12. That the officers executing the Bonds and notes herein authorized be and hereby are individually authorized to covenant and agree, on behalf of the Town, for the benefit of the holders of such Bonds or notes, that the Town will file any required reports and take any other action that may be necessary to insure that interest on the Bonds or notes will remain exempt from federal income taxation, and that the Town will refrain from any action that would cause interest on the Bonds or notes to be subject to federal income taxation;

13. That the officers executing the Bonds and notes herein authorized be and hereby are individually authorized to covenant, certify and agree, on behalf of the Town, for the benefit of the holders of such Bonds and notes, that the Town 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.

14. That an amount sufficient for the payment of the annual payments of principal and interest on the Bonds and any notes issued hereunder, not payable from other sources, shall be included in the tax levy of each year until the debt represented by said Bonds and notes is extinguished.

15. That the Bonds and notes herein authorized by this Order are in addition to any other indebtedness authorized for the same or similar purposes.

16. That any or all of the Bonds and notes issued hereunder may be consolidated with and become a part of any other issue of temporary notes or general obligation bonds authorized to be issued by any previous or subsequent order of the Town Council of the Town of Falmouth.

17. That the term "cost" or "costs" as used herein and applied to the Project, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Project; (2) the cost of construction, building, alteration, enlargement, reconstruction, renovation, improvement, and equipping of the Project; (3) the cost of all appurtenances and other facilities either on, above, or under the ground which are used or usable in connection with the Project; (4) the cost of landscaping, site preparation and remodeling of any improvements or facilities; (5) the cost of all labor, materials, building systems, machinery and equipment; (6) the cost of land, structures, real property interests, rights, easements, and franchises acquired in connection with the Project; (7) the cost of all utility extensions and site improvements and development; (8) the cost of planning, developing, preparation of specifications, surveys, engineering, feasibility studies, legal and other professional services associated with the Project; (9) the cost of environmental studies and assessments; (10) the cost of financing charges and issuance costs, including premiums for insurance, interest for a period not to exceed three years from the issue date of the Bonds, and for any additional period permitted under Section 148 of the Internal Revenue Code of 1986, as amended, underwriters' fees and costs, legal and accounting fees and costs, application fees, and other fees and expenses relating to the financing transaction; and (11) the cost of all other financing authorized hereunder, whether related or unrelated to the foregoing.

18. That the Treasurer be and hereby is authorized and empowered to take all such action as may be necessary to designate the Bonds and notes herein authorized as qualified tax exempt obligations for purposes of Section 265(b) of the Code; it being the Town Council's intention that the Treasurer, with advice of bond counsel, make the required Section 265(b) election with respect to such Bonds and notes to the extent the election may be available and advisable as determined by the Treasurer.

19. That if any of the officers or officials of the Town who have signed or sealed the Bonds or notes herein authorized shall cease to be such officers or officials before such Bonds and notes so signed and sealed shall have

been actually authenticated or delivered by the Town, such Bonds and notes nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds or notes had not ceased to be such officer or official; and also any such Bonds or notes may be signed and sealed on behalf of the Town by those persons who, at the actual date of the execution of such Bonds or notes, shall be the proper officers and officials of the Town, although at the nominal date of such Bonds or notes any such person shall not have been such officer or official.

20. That the Treasurer, Chairperson of the Town Council and Clerk and other proper officials of the Town be, and hereby are individually authorized and empowered in its name and on its behalf to do or cause to be done all such acts and things, not inconsistent herewith, as may be necessary or desirable in order to effect the issuance, sale and delivery of the Bonds and notes herein authorized.

21. That if the Treasurer, Chairperson of the Town Council or Clerk are for any reason unavailable to approve and execute the Bonds and notes herein authorized or any other documents necessary or convenient to the issuance, execution and delivery of the Bonds or notes, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had performed such act.

22. That the proceeds of the Bonds and notes issued hereunder and the investment earnings on the proceeds of the Bonds and notes issued hereunder, if any, and the excess proceeds of the Bonds and notes issued hereunder, if any, be and hereby are appropriated for the following purposes, such proceeds to be held and applied in the following order of priority:

1. To any costs of the Project in excess of the principal amount of the Bonds or notes;
2. In accordance with applicable terms and provisions of the Arbitrage and Use of Proceeds Certificate delivered in connection with the sale of the Bonds or notes including, to the extent permitted thereunder, to the Town's general fund.

23. That it is the intent of the Town Council that this Bond Order shall constitute the Town's declaration of official intent within the meaning of Treasury Regulation 1.150-2.

**TOWN OF FALMOUTH
ORDER NO 103-2013**

REFERENDUM QUESTION 4

BE IT HEREBY ORDERED THIS 22nd DAY OF APRIL, 2013, BY THE FALMOUTH TOWN COUNCIL, FALMOUTH MAINE, IN TOWN COUNCIL ASSEMBLED:

That the question set forth below be placed on the ballot for the Town of Falmouth Election to be held on June 11, 2013 and that an attested copy of this Order be placed on file with the Town Clerk of the Town of Falmouth.

Question 4: Shall the Order entitled: "Order authorizing energy conservation and heating system improvements at the Falmouth Middle School including conversion of the heat distribution system from steam to hot water, installation of a new domestic hot water system, installation of an energy efficient window wall system and connection of the Middle School biomass boiler to the Elementary School and High School heat distribution system (the "Project") and the issuance of general obligation bonds in an amount not to exceed \$3,250,000 (plus issuance costs) for a term not to exceed 20 years to fund Project costs" be adopted?

Town Council Recommendation: The Town Council recommends approval of Question 4.

School Board Recommendation: The School Board recommends approval of Question 4.

Treasurer's Statement

The undersigned Treasurer of the Town of Falmouth hereby provides the following statement as required by 30-A MRSA §5772(2-A). As of April 22, 2013:

1. The Town has \$47,560,000 of general obligation bonds outstanding and unpaid.
2. The Town has \$2,000,000 of general obligation bonds authorized but unissued.
3. The total amount of general obligation bonds contemplated to be issued if Question 4 is adopted is \$3,250,000.
4. The interest cost will depend on the prevailing interest rates at the time the bonds are issued. Assuming a borrowing of the full \$3,250,000 proposed to be authorized, level principal payments over a 20-year term and an average annual interest rate of 3.45%, the interest cost associated with the borrowing would be \$ 1,177,720, which would result in a total cost of principal and interest to be paid at maturity of \$4,427,720.

The foregoing represents an estimate of costs associated with the financing and such estimates will change due to market conditions. The validity of the voters' ratification of the bonds shall not be affected by any errors in the foregoing estimates. The ratification by the voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of any variance of actual costs from the estimates provided hereinabove.

Treasurer, Town of Falmouth

Item 9 An Order regarding the Budget Validation Referendum questions to be placed on the June 11, 2013 ballot.

Chair Varney opened a public comment period; there was no public comment.

Councilor Farber explained that every three years according to state law the voters have to decide whether they want to continue the annual vote on the school budget for another three years.

Councilor Pierce moved the order; Councilor Payne seconded. Motion carried 7-0.

Item 10 Order to approve the FY14 Municipal and School Department Budgets in accordance with the Town of Falmouth Charter, Article 5, Sec 502.

Councilor Farber moved the order 107-2013 in accordance with the Town Charter. This action is not applicable to the approving the school budget as part of the budget validation referendum process. Councilor Rodden seconded.

**TOWN OF FALMOUTH
ORDER NO 107-2013**

ADOPT THE 2013-2014 GENERAL FUND BUDGET

BE IT HEREBY ORDERED THIS 22nd DAY OF APRIL, 2013, BY THE FALMOUTH TOWN COUNCIL, FALMOUTH MAINE, IN TOWN COUNCIL ASSEMBLED:

Pursuant to Article V of the Falmouth Town Charter and to the relevant sections of Maine state statutes, the Falmouth Town Council hereby adopts the fiscal year 2013-2014 General Fund budget and appropriates the budgeted funds to the various departments as follows:

GENERAL FUND:

GENERAL GOVERNMENT	1,105,092
FINANCIAL ADMINISTRATION/DEBT SERVICE	1,357,581
PUBLIC SAFETY	3,516,278
PUBLIC WORKS	2,080,220
COMMUNITY DEVELOPMENT	562,661
COMMUNITY PROGRAMS & PARKS	353,767
OTHER AGENCIES / NON-DEPARTMENTAL	699,956
EDUCATION	30,254,353
TRANSFER TO COMMUNITY PROGRAMS SPECIAL REVENUE FUND	80,000
TRANSFER TO CAPITAL FUND	1,357,188
TOTAL GENERAL FUND OPERATING BUDGET	41,367,096

Councilor Mahoney complimented the school committee and the superintendent, who have worked very hard to develop this budget. He encouraged people to support it.

Motion carried 7-0.

Item 11 Order to create an ad-hoc Zoning Committee to assist the CDC in the administrative rewrite of the Zoning and Site Plan Review Ordinance.

Chair Varney opened a public comment period; there was no public comment.

Councilor Pierce moved the order; Councilor Farber seconded. Motion carried 7-0.

Item 12 Introduction by Councilor Payne to amend Section 5.22.3 of the Zoning and Site Plan Review Ordinance regarding Accessory Cottages.

Councilor Payne explained that the amendment affirms a minimum 650 sq. feet size of living area. The current ordinance limits accessory cottages to 40% of the floor area of the single family dwelling. The amendment would allow the cottage to be 100% of the floor area, up to 850 sq. feet.

A public hearing will be scheduled at a later date.

**Item 13 Ordinance to amend the Zoning and Site Plan Review Ordinance
Section 6, regarding Nonconforming Residential Structures on
conforming or non-conforming lots.**

Councilor Pierce moved to table the item; there have been changes made to the amendment and the Zoning Board of Appeals has yet reviewed them. Councilor Payne seconded. Motion carried 7-0.

**Item 14 Introduction of an amendment to the Code of Ordinance relative to
parking restrictions on Mariner Lane.**

Councilor Farber introduced the item; this would limit parking to the south side of Mariner Lane, thereby prohibiting parking on the north side. Parking has become crowded in the summer in the area and the Police Department has recommended this amendment.

Lieutenant John Kilbride said the department received 2-3 complaints during the summer months, including photos of the northern side, where people have parked in all different directions, damaging private fences and obstructing emergency vehicle access. They would sign the north side as no parking, and stripe out parallel parking on the south side.

Councilor Rodden asked if this is similar to Andrews Avenue.

Lt. Kilbride said they had issues along Andrews Ave when parking on Mackworth Island overflowed. They allowed limited parking at the end of Andrews but couldn't allow on-street parking on that street.

Councilor Pierce wondered why they didn't make it seasonal instead of no-parking all year round. She was concerned about residents needing on-street parking.

Lt. Kilbride said they can park on one side all year round. They didn't get any feedback from the residents requesting seasonal on-street parking.

Councilor Rodden asked about notification of the residents on the street; Lt. Kilbride said they sent letters to every resident on the street.

A public hearing was scheduled for May 13.

**Item 15 Order to authorize the Town Manager to execute all necessary
transactions to accommodate the transfer of a Maine Department of
Environmental Protection deeryard management agreement to the
Town of Falmouth from the Woodlands Club.**

Chair Varney opened a public comment period; there was no public comment.

Councilor Farber moved the order; Councilor Mahoney seconded.

Mr. Poore suggested an amendment to accept \$10,000 from the Woodlands for management. Councilor Farber and Councilor Mahoney agreed to the amendment.

Councilor Rodden asked how they are going to protect this land in perpetuity, as required by the DEP. Mr. Poore said the Town owns the property; the LMAC and open space ombudsman would be responsible for managing it.

Councilor Rodden asked if it is possible they could use it for mitigation in the future. Mr. Poore said no, all its value for mitigation is gone.

Councilor Mahoney said there is no reason why the deed couldn't be amended to reflect the same requirements in the DEP order. He thought that might be worthwhile. DEP order can change, but deeds are harder to change.

Bob Shafto, ombudsman, felt a better approach would be to place an easement on the property. Deed restrictions, to his knowledge, are not permanent.

Mr. Poore suggested that the new LMAC could take this on as part of the management plan for this property.

Motion carried 7-0.

Item 16 Discussion about future bridge (railroad crossing) needs at the Town-owned River Point parcel.

Mr. Poore said they have talked about the bridge and the need to replace it since the Town purchased the property. They made some interim improvements to it 2 years ago for pedestrian access only, but it continues to decay and needs to be replaced. He asked whether the Council was comfortable with staff launching an RFP process. He thought this might be a design/build project. It would require a supplemental appropriation, as it is an unfunded capital improvement.

Councilor Farber asked what would happen if the Council doesn't do this. Mr. Poore said they would close the bridge for safety reasons, and sooner rather than later.

Councilor Farber asked what the impact would be if they closed the bridge.

Councilor Rodden said this parcel is easy to dismiss but it is a very special wildlife site in the Town and invasive species are encroaching. If they don't have access the invasive species will take over and destroy the habitat. They already don't have access for tractors and mowers. It is a special place, and if they don't take care of it, they will lose it. She didn't want to spend the money either, but if they have to close the bridge it would destroy the property.

Councilor Mahoney thought there are two other points of access, one off Leighton and one off Falmouth Road. Mr. Shafto said there is a right-of-way to the land trust property off Leighton. This property is surrounded on three sides by water and one side by the railroad tracks.

Councilor Mahoney thought they could potentially get to the property from Route 100. Mr. Shafto said they would still have to cross the tracks.

Councilor Mahoney suggested they could build a garage and store a tractor there as an alternative. He weighted quantity of use; they are looking also at crossing the railroad tracks to get from the High School to Community Park. He was more concerned with access Community Park. He didn't oppose an RFP.

Councilor Pierce felt they haven't explored how else to access this property.

Mr. Shafto said they have looked at a grade level railroad crossing, which would be more expensive than a bridge. The Land Trust has an easement along the water but doesn't own the property and has no right of access, and the bridge is only a pedestrian bridge. Installing a vehicle bridge there would be expensive and would impact the habitat they are trying to protect. River Point is the crown jewel of the Town's open space, primarily for the diversity of its habitat. The options proposed are the lowest costs they have.

Councilor Rodden asked why they needed access for motorized vehicles. Mr. Shafto said they need to mow because the property has very diverse habitat and has grasslands which are growing up very quickly into early successional forest. Those need to be mowed or burned to keep them as grasslands.

Mr. Poore was excited by these estimates, compared to the earlier estimates that they have received for just the footbridge. They have been looking at this for a long time and feel they have exhausted all other options for access to the property.

The Council requested a more comprehensive package, including the history of the project, the research done by staff on bridge options, and some more information on the potential costs associated with the railroad.

Councilor Payne felt since this is the Down Easter line, it was similar to the issue at the High School: they either provide safe access or the prohibit access entirely.

Chair Varney asked the weight of the vehicles that can cross; Mr. Shafto thought it would be 10 tons. A pickup truck and a trailer is all they are looking for. It would be gated as well to prevent vehicles from crossing.

Item 17 Order to go into Executive Session pursuant to the Laws of Maine to discuss and consider the acquisition of real estate rights and the disposition of real estate rights for a parcel and easement, pursuant to 1 M.R.S.A. § 405 (6) (C).

Councilor Pierce moved the order; Councilor Farber seconded. Motion carried 7-0.

The Council entered executive session at 9:24 pm and did not return.

Respectfully submitted,

Melissa Tryon
Recording Secretary