

# MEMO

Date: March 30, 2022

To: Matthew Strugis, Town Manager

From: John Quartararo, Finance Director

Re: School Revolving Renovation Fund (SRRF) Bond Order \$1,161,082

CC: Debra Lane, Town Clerk, Christopher Record, School Superintendent and Marcia Weeks, School Business Manager

The School Board, through Kimberly Carr, Board Chair and Philip Saucier, Finance Chair are asking that the Town Council authorize a bond order for \$1,161,082. The State of Maine will forgive 30% (\$348,325) of the total borrowed. The balance of funds, \$812,757 is repayable over 10 years at a zero interest rate. The first installment of \$81,276 will be payable in FY2024.

The purpose of the funds is to undertake 10 specific projects at the three schools. The Department of Education approved the projects. The list a value of the 10 projects are included in the School Board resolution, which is included within the bond order. The improvements at the elementary and middle schools are relocatable to the new schools. There is no loss of improvements due to school construction.

The School Board took up this matter at its February 8, 2022 meeting. Included with this memo are a written request dated March 9, 2022 from the School Board and a bond order prepared by James Saffian, Esq. the Town's bond counsel.

Council Chair Gabrielson scheduled a council workshop for April 4, 2022 to allow the School Department and Board to present details of these projects the use of these funds. The school representatives will respond to questions raised by the council members and/or the public. I also plan to attend the meeting to address questions raised concerning the issuance of this debt.

Maine Municipal Bond Bank (MMBB) administers financing for the SRRF program. We prepared and submitted an application to borrow the funds to MMBB this week. To close the loan, an approved bond order authorizing the borrowing is required. The School Department's annual budget is responsible for repayment of the funds borrowed.

Included with this memo are the following items:

1. School Board request for bond authorization dated March 9, 2022
2. Draft School Board resolution for March 8, 2022 meeting
3. School Board agenda for March 8, 2022 meeting
4. Draft bond order prepared by Town's bond counsel

**Christopher Record, PhD**  
Superintendent of Schools  
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Cape Schools Open Minds  
and Open Doors

Community • Academics • Personal • Ethics

**Michelle McClellan, CAS**  
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**CAPE ELIZABETH SCHOOLS**

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**Marcia Weeks**  
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**Del Peavey**  
Director of Special Services  
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March 9, 2022

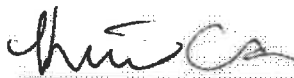
Subject: School Revolving Renovation Fund Projects (SRRF)


Dear Town Council,

The Cape Elizabeth School Board is requesting that the Town Council approve financing the projects through the SRRF Program, and authorize a loan of up to \$1,161,082 and issuance of the Town's general obligation bonds therefore, of which 30% is to be forgiven and 70% percent is expected to be repaid.

Thank you very much for your consideration.

Sincerely,

  
\_\_\_\_\_  
Kimberly Carr  
School Board Chair

  
\_\_\_\_\_  
Phillip Saucier  
School Board Finance Chair

**Resolution Regarding School Revolving Renovation Loan**

WHEREAS, on the Department of Education of the State of Maine has approved the financing of the following Cape Elizabeth school facility improvements (the "Projects") through the Maine Municipal Bond Bank's (the "Bond Bank") School Revolving Renovation Fund ("SRRF") under the Maine School Facilities Finance Program:

**School Revolving Renovation Fund Application for October 29, 2021**

**Cape Elizabeth Schools**

**Priority 1: Health, safety and compliance issues including roof structural upgrades; improvements to indoor air quality, compliance with the Americans with Disabilities Act; hazardous material abatement or removal; and other health, safety and compliance issues.**

<b>Safety Compliance</b>	<b>DOE Award as of 1.28.2022 Approved Loan Amount</b>	<b>Project # Assigned by DOE</b>
Pond Cove Elementary - Video Management System for Security	217,757	1466
Middle School - Video Management System for Security	217,757	1467
High School - Video Management System for Security	217,757	1468
Pond Cove Elementary - Life Safety Signage	25,578	1469
Middle School - Life Safety Signage	25,578	1470
High School - Life Safety Signage and Wall Extension	91,541	1471
High School - Gymnasium Humidity Control	157,050	1464
High School - ADA Compliant Access to Entry Door	107,999	1472
High School - ADA Compliant Access to Entry Door	18,883	1587
High School - Electrical Panel Replacement	81,182	1465
<b>Total</b>	<b>1,161,082</b>	
30% Grant portion	348,325	
Remainder financed at 0% for 10 years	812,757	
Debt service payment for 10 years	81,276	

WHEREAS, the Projects will have a substantial beneficial impact on the students in the Town;

NOW THEREFORE, be it hereby Resolved by the Town of Cape Elizabeth School Board as follows:  
That the School Board recommends that the Town Council approve financing the Projects through the SRRF program and authorize a loan of up to \$1,161,082 and issuance of the Town's general obligations bonds therefor, of which 30% is expected to be forgiven and 70% is expected to be repaid.

Cape Elizabeth School Board  
Tuesday February 8, 2022 - Town Hall Council Chambers  
6:30 p.m. - Regular Business Meeting  
MINUTES (Video Link)

**Strategic Plan Goals:**

**Health and Well-Being**

*Our schools will provide a supportive learning environment in which physical, social, and emotional well-being are valued and promoted.*

**Global Competency**

*Our students will be personally responsible, aware, empathetic, and engaged local and global citizens.*

**Multiple Pathways and Definitions of Success**

*Our schools will value, promote, and celebrate multiple pathways and definitions of success.*

**Safe, Sustainable, and Effective Facilities**

*Our schools will be safe and effective facilities. They will be updated and maintained to meet the needs of students and staff in accordance with long-term financial planning.*

**Environmental Responsibility**

*The school department will prioritize environmental responsibility, including stewardship and sustainability.*

**Roll Call:**

Kimberly Carr, *Chair*  
Heather Altenburg, *Vice Chair*  
Kathleen Curry-Sparks  
Jennifer McVeigh  
Phil Saucier  
Elizabeth Scifres  
Cynthia Voltz  
Ellie Gagne, *Student Representative*  
Kathryne Clay, *Student Representative*

Superintendent Christopher Record, Ph.D.

**AGENDA**

**Call to Order/Pledge of Allegiance - 6:30 p.m.**

- I. **Adjustments to Agenda** – Mr. Saucier requested to add ‘Budget Update’ to the list of Committee Reports; Ms. Scifres requested recognition within *Presentations* of the All State Jazz musician.
- II. **Approval of Minutes January 11, 2022 – Regular Business Meeting**

Motion: Ms. Scifres Second: Ms. Altenburg Vote: Approved 6-0

III. **Approval of Minutes January 25, 2022 – Combined Executive Session, Special Business Meeting and School Board Workshop**

Motion: Ms. McVeigh      Second: Ms. Altenburg      Vote: Approved 6-0

IV. **Approval of Minutes February 2, 2022 – Executive Session Meeting**

Motion: Ms. Scifres      Second: Mr. Saucier      Vote: Approved 6-0

V. **Comments from Public on Agenda Items** (per SB BEDH) – *There were no comments from the public*

VI. **Comments from Student Representatives** – Kathryn Clay and Ellie Gagne spoke briefly on items of interest from the students' perspective. *[05:33 in the meeting recording]*

VII. **Presentations:**

- **District I Honors Music Festival Students** – High School choral teacher Joanne Lee introduced the selected students. Chorus: Abigail Scifres & Bella Carver; Band: Sophia Toon, Sage Evans, Clara Parker; and for All-State Jazz Festival, Kathryn Clay. *[05:33 in the meeting recording]*
- **Facilities Director David Bagdasarian explaining recent burst pipe incident at CEHS & recognizing staff that went above and beyond to help** – During the holiday weekend of January 17, due to extremely cold temperatures and wind, a coil froze resulting in burst water pipes in the high school cafeteria and surrounding areas. Custodians Donny Darling and Mark Doughty, worked almost around the clock to mitigate damage. Jonathan Fitts and Adam Smith were also acknowledged. *[14:05 in the meeting recording]*
- **Extended Learning Opportunities [ELO] by ELO Coordinator Sarah Plummer & Assistant Principal Nate Carpenter** - Sarah Plummer, a former education coordinator with the Portland Water District and CEHS's new extended learning opportunities coordinator, spoke briefly about re-invigorating the ELO program following a hiatus due to Covid. Assistant Principal Carpenter and Ms. Plummer shared some common themes that developed around the topic of learning shared through their conversations with senior students. *[28:00 in the meeting recording]*

- A. **Administrative & Staff Reports:** *See written DLT reports*
- B. **Business Manager** *\*supporting documents included [48:09 in the meeting recording]*  
Ms. Weeks spoke briefly to the monthly financial report, including nutrition program subsidies and supply-chain grant funding.
- C. **Superintendent** *[51:35 in the meeting recording]*
- i. COVID Update – currently in our 23<sup>rd</sup> week of being open. Community spread data was shared *at 54:06*.
  - ii. Enrollment Numbers *\*supporting document included [1:01:37 in the meeting recording]*
  - iii. Building Project Update – On Feb 7, Colby Co Engineering and Simons Architects presented at the Building Oversight Committee meeting. The firms have been consulting with the district since 2017 when a facilities needs assessment was commissioned. Superintendent Record reiterated the need to update the schools. The final Colby/Simons conceptual design report is expected soon. At the Feb 15 Budget Workshop, the first item will be a conversation on how to best move forward, through either a June or November referendum. A planned Building Project Public Forum will be moved from later this month to March. Historical and current School Building Project information can always be found online at [www.CEBuildingProject.com](http://www.CEBuildingProject.com). *[1:02:38 in the meeting recording]*
  - iv. Other – *[1:06:38 in the meeting recording]* Substitutes are still needed. Following a prior month's request for kitchen volunteers, there were 150 responses! The district has an opening for an HR Manager.

#### VIII. New Business

- A. **Consideration to approve resolution captioned “Resolution Regarding School Revolving Renovation Loan”, attached hereto as Exhibit A.** *- [1:06:38 in the meeting recording]* School Finance Director Weeks briefly explained this allocation from the state's school revolving renovation fund, grant and loan \$1.1 million. These monies will provide for enhanced security measures at each school, a humidity-control system to protect the new HS gym floor, electrical panel, and fund an ADA-compliance issue relating to an entrance slope. Thirty percent will be grant-funded with remaining at zero-percent financing over 10 years. All are transportable, meaning they're able to be used in combination with any future project if needed.

Motion: Ms. Scifres Second: Ms. McVeigh Vote: Approved 6-0

- B. Consideration to approve the CEHS Model United Nations Dartmouth College United Nations Conference Field Trip from April 8 to April 10, 2022 - [1:14:51 in the meeting recording]**

Motion: Mr. Saucier Second: Ms. Scifres Vote: Approved 6-0

- C. Consideration to approve the CEHS Program of Studies for the 2022-2023 Academic Year - [1:16:19 in the meeting recording]** Principal Springer briefly reviewed changes in the upcoming school year's program of studies.

Motion: Ms. Altenburg Second: Mr. Saucier Vote: Approved 6-0

- D. Consideration to approve updates to the Confidential Secretary Job Description - [1:22:53 in the meeting recording]** Superintendent Record reviewed the updates. The position was also changed from hourly to salary.

Motion: Ms. Scifres Second: Ms. Curry-Sparks Vote: Approved 6-0

- E. Second Reading: Policy EEBB – Use of Private Vehicles for School Business - [1:25:37 in the meeting recording]** Ms. McVeigh briefly reviewed changes, adding there were no comments from the public.

Motion: Ms. McVeigh Second: Ms. Voltz Vote: Approved 6-0

- F. Second Reading: Policy BG - School Board Policies - [1:26:35 in the meeting recording]** Ms. McVeigh briefly reviewed changes, adding there were no comments from the public.

Motion: Ms. McVeigh Second: Ms. Voltz Vote: Approved 6-0

- G. **Consideration to approve BG-R – Policy Adoption & Amendment Procedure –** *[1:27:24 in the meeting recording]* Assistant Superintendent McClellan reviewed the changes incorporated into this procedure. More information is available within the policy committee minutes.

Motion: Ms. McVeigh      Second: Ms. Voltz      Vote: Approved 6-0

- IX. **First Reading –** *[1:30:12 in the meeting recording]* Ms. McVeigh provided a brief overview of the policies being reviewed at this time. There are additional details provided within the policy committee meeting minutes.
- i. **BBAB – Student School Board Representatives**
  - ii. **AC – Nondiscrimination/Equal Opportunity & Affirmative Action**
  - iii. **ACAB – Employee Discrimination/Harassment & Title IX Sexual Harassment**
- X. **School Board Agenda Requests –** *[1:33:39 in the meeting recording]* None
- XI. **Committee Reports:**
- A. **PATHS –** *[1:34:02 in the meeting recording]* Ms. Voltz reported briefly on highlights from the most recent Portland Arts & Technology High School meeting.
  - B. **DEI –** *[1:36:58 in the meeting recording]* Ms. Altenburg shared that last month's meeting was postponed. Nothing to report. Next meeting is March 3 at 3:30 pm.
  - C. **Technology Committee –** *[1:36:32 in the meeting recording]* Ms. Voltz said nothing new to report.
  - D. **Building Oversight Committee –** *[1:36:58 in the meeting recording]* Ms. Altenburg encouraged anyone interested in learning more about the school building project or to sign up for updates, visit [CEBuildingProject.com](http://CEBuildingProject.com). Design framework is coming along. Looking forward to being able to offer public tours of the current buildings.
  - E. **School Budget –** *[1:42:52 in the meeting recording]* Mr. Saucier shared the budget goals adopted at the initial budget workshop on Jan 25. Feb 15 is the next Budget Workshop.
- XII. **Announcement of Upcoming Meetings** *[1:44:16 in the meeting recording]*
- A. **PATHS –** February 10, 8:30 am WRVC



Cape Elizabeth School Board  
Tuesday February 8, 2022 - Town Hall Council Chambers  
6:30 p.m. - Regular Business Meeting  
MINUTES ([Video Link](#))

- B. School Board Budget Workshop – February 15, 6:30 pm CEHS Library
- C. Policy Committee – February 22, 9am Jordan Conference Room
- D. School Board Budget Workshop– March 1, 6:30 pm CEHS Library or
- ~~E. District Planning Committee – March 1, 6:30 pm Zoom~~
- F. DEI Task Force – March 3, 3:30 pm CE Fire Station
- G. Building Project Public Forum – March 7, 6:30 pm Zoom
- H. District Planning Committee – March 15, 6:30pm Zoom

XIII. Consideration to Adjourn - *[1:46:25 in the meeting recording]*

Motion: Ms. Scifres      Second: Ms. Curry-Sparks      Vote: Approved 6-0

TOWN OF CAPE ELIZABETH, MAINE

Vote authorizing expenditures of up to \$1,161,082  
for school renovations  
and the issuance of bonds therefore

**WHEREAS**, the Town desires to obtain a loan through the Maine Municipal Bond Bank's (the "Bond Bank") School Revolving Renovation Fund ("SRRF") under the Maine School Facilities Finance Program to finance renovations to Pond Cove Elementary School and the Cape Elizabeth Middle School and High School; and

**WHEREAS**, the Town expects to enter into a loan agreement with the Bond Bank in an amount not to exceed \$1,161,082, of which the Town anticipates that 30% of said loan (estimated to be \$348,325) will be forgiven and that the Town will be obligated to repay the 70% balance of said loan (estimated to be \$812,757);

**NOW, THEREFORE**, Be it hereby voted by the Cape Elizabeth Town Council as follows:

**VOTED:** That the Town, acting by and through its School Department, be authorized to expend up to \$1,161,082 to design, construct and equip the following school renovations and improvements (referred to as the "Projects"):

Safety Compliance	Approved Loan Amount
Pond Cove Elementary - Video Management System for Security	217,757
Middle School - Video Management System for Security	217,757
High School - Video Management System for Security	217,757
Pond Cove Elementary - Life Safety Signage	25,578
Middle School - Life Safety Signage	25,578
High School - Life Safety Signage and Wall Extension	91,541
High School - Gymnasium Humidity Control	157,050
High School - ADA Compliant Access to Entry Door	107,999
High School - ADA Compliant Access to Entry Door	18,883
High School - Electrical Panel Replacement	81,182
<b>Total</b>	<b>1,161,082</b>

**VOTED:** That in order to provide funds for the Projects, the Treasurer of the Town be and hereby is authorized, in the name of and on behalf of the Town, (i) to borrow up to \$1,161,082 through the SRRF program, such loan to be in the amount not to exceed \$1,161,082, of which 30% (estimated to be \$348,325) is expected to be forgiven and 70% (estimated to be \$812,757) is expected to be repaid under the terms of the SRRF program (the "SRRF Loan"), (ii) to enter into a loan agreement between the Town and the Bond Bank, such loan agreement to contain the usual and customary terms as is required by the Bond Bank under the SRRF program, and (iii) to prepare, issue, sell and deliver the Town's general obligation bonds in the amount to be repaid under said SRRF program (anticipated to be an amount not to exceed \$812,757), the proceeds of which SRRF Loan are hereby appropriated to fund the costs of the Projects.

VOTED: The bonds and the loan agreement authorized hereby shall be signed, in the name of and on behalf of the Town, by the Treasurer, countersigned by the Chair of the Town Council either or both of whose signatures may be by facsimile to the extent permitted by law, and attested by the Town Clerk, under the seal of the Town.

VOTED: That the Treasurer be and hereby is authorized and empowered, in the name of and on behalf of the Town, to determine and approve the form, maturity(ies) (not to exceed the maximum term permitted by law), interest rate(s), provisions for early redemption prior to their stated maturity date(s), and all other details of said bonds, loan agreement and SRRF Loan authorized hereby, not inconsistent herewith, such determination and approval to be conclusively evidenced by his execution thereof.

VOTED: That the Treasurer be and hereby is authorized and empowered, in the name of and on behalf of the Town, to negotiate, execute, and deliver such contracts, agreements (including a bond purchase agreement), loan agreements, instruments, certificates, tax compliance or arbitrage certificates or agreements and other documents as may be necessary or appropriate as determined and approved by the Treasurer in connection with the issuance of the bonds and the execution of the loan agreement and the consummation of the SRRF Loan authorized hereby (the "Financing Documents"), which Financing Documents shall be in such form and contain such terms and conditions, not inconsistent herewith, including, without limitation, the waiving of the Town's sovereign or governmental immunity with respect to the enforceability of any of the forgoing, which waiver is hereby authorized, confirmed and approved, as may be approved by the Treasurer such approval to be conclusively evidenced by his execution thereof.

VOTED: That the term "cost" or "costs" as used herein and applied to the Projects, or any portion thereof, includes, but is not limited to (1) the cost to design, acquire, construct, renovate, improve, furnish and equip the Projects, or any portion thereof; (2) the cost of land, easements and other real property interests, landscaping and site preparation, including demolition and environmental remediation work on any existing building or structure and on the property where the Projects are located, utility extensions and site improvements, and all appurtenances and other fixtures, facilities, buildings and structures either on, above, or under the ground which are used or usable in connection with the Project; (3) the cost of feasibility studies, surveys, environmental studies and assessments, engineering, plans and specifications, legal and other professional services associated with the Projects; (4) issuance costs, including premiums for insurance, capitalized interest and other fees and expenses relating to the financing transaction.

VOTED: That the investment earnings on the proceeds of the bonds and the SRRF Loan authorized hereby, if any, and the excess proceeds of such bonds and the SRRF Loan, if any, be and hereby are appropriated, and the Treasurer be hereby be and hereby is authorized and directed, in the name of and on behalf of the Town, to direct the use of such funds, for the following purposes: (i) to pay costs of the Projects, including costs of issuance for the bonds the execution and delivery of the loan agreement, (ii) to pay interest during construction and for a period not to exceed three (3) years from the issue date of such bonds and/or notes, (iii) to pay debt service on the bonds, and (iv) with regards to investment earnings only, to be deposited into the Town's General Fund.

VOTED: That the Treasurer, Chair of the Town Council and Clerk and other proper officials of the Town be, and hereby are authorized and directed 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 the loan agreement authorized hereby.

VOTED: That if any of the Treasurer, Chair of the Town Council or Town Clerk who have signed or sealed the bonds or loan agreement shall cease to be such officer or official before the bonds or loan agreement so signed and sealed shall have been actually authenticated or delivered by the Town, such bonds or loan agreement nevertheless may be authenticated, issued, delivered and implemented with the same force and effect as though the person or persons who signed or sealed such bonds or loan agreement had not ceased to be such officer or official; and also any such bonds or loan agreement may be signed and sealed on behalf of the Town by those persons who, at the actual date of execution, shall be the proper officers or officials of the Town, although at the nominal date of such execution, any such person shall not have been such officer or official.

VOTED: That if the Treasurer, Chairman of the Town Council or Clerk are for any reason unavailable to approve and execute the bonds or loan agreement authorized hereby or any other Financing Document, the person or persons then acting in any such capacity, whether in an interim or acting capacity or as an assistant, a deputy, or otherwise, be and hereby is authorized to act for such official with the same force and effect as if such official had performed such act.

A true copy of an Order adopted \_\_\_\_\_, 2022,  
by the Cape Elizabeth Town Council at a meeting thereof  
duly convened and conducted at Cape Elizabeth, Maine,  
attest.

Cape Elizabeth Town Clerk  
Date: \_\_\_\_\_, 2022