

NOTICE OF PUBLIC HEARING  
MUNICIPAL OFFICERS OF THE TOWN OF  
OLD ORCHARD BEACH

The Municipal Officers of the Town of Old Orchard Beach, Maine hereby give Public Notice that there will be a Public Hearing held at the Town Hall, Council Chambers, on October 4, 2011, at 7:00 p.m. to consider the following:

**Referendum Question No. 1—Number and terms of Town Councilors**

Shall the Town of Old Orchard Beach approve the charter modifications regarding changing the number of Town Councilors from five (5) to seven (7) and changing the terms of Town Councilors, as recommended by the Charter Commission and reprinted below?

Sec. 201.1. Town Council. The Town Council shall be composed of seven (7) members, with six three-year terms and one one-year term, each of whom shall be elected by the registered voters of the entire Town, and shall serve until a successor is elected and qualified. The six three-year terms of the Town Council shall be staggered, and expire at three year intervals. The one-year term shall expire annually. All terms shall expire on the third Monday in November of the term year. [No Councilor is eligible to serve more than seven years consecutively.\*]

[\*This part of Sec. 201.1 is not being voted on with Question One. It is part of Question Two.]

Sec. 1002.1. Transition to New Charter.

The provisions of Section 202 notwithstanding, the terms of the Town Councilors elected in 2011 for 2-year terms shall expire normally in 2013 and the first regular municipal election in November 2012 shall elect two (2) Town Councilors for three-year terms and two (2) Town Councilors for two-year terms, and one (1) Town Councilor for a one-year term.

All succeeding elections under this Charter shall elect two (2) Town Councilors for three-year terms and one (1) Town Councilor for a one-year term, thereby providing elections for a Town Council composed of seven (7) members, with six (6) Town Councilors having three-year terms and one (1) Town Councilor having a one-year term by the year 2014.

The six three-year terms of the Town Council will be staggered, and expire at three year intervals. The one-year term will expire annually.

Candidates for Council shall specify on their nomination papers whether they are seeking election for a one-year term or a three-year term and may be elected only for the term so specified.

Sec. 1004. Terms of Current Officials.

The terms of members of the Town Council, elected at the regular municipal election on November 8, 2011 shall expire on the third Monday in November, 2013.

### **Words of Explanation**

These modifications change the number of members of the Town Council from five to seven, change the terms of the Town Councilors, and set forth the necessary transitional provisions for these modifications.

### **Referendum Question No. 2—Town Council Term Limits**

Shall the Town of Old Orchard Beach approve the charter modifications enacting term limits of not more than seven (7) consecutive years for Town Councilors and establishing when the term limits shall commence as recommended by the Charter Commission and reprinted below? [The sentences in Section 201.1 in brackets are not included in this question. That part of Sec. 201.1 is not being voted on with Question Two. It is part of Question One.]

Sec. 201.1. Town Council. [The Town Council shall be composed of seven (7) members, with six three-year terms and one one-year term, each of whom shall be elected by the registered voters of the entire Town, and shall serve until a successor is elected and qualified. The six three-year terms of the Town Council shall be staggered, and expire at three year intervals. The one-year term shall expire annually. All terms shall expire on the third Monday in November of the term year.\*]

No Town Councilor is eligible to serve more than seven years consecutively.

[\*This part of Sec. 201.1 above, in brackets, is not being voted on with Question Two. It is part of Question One.]

Sec. 1002.2 Term Limits.

Term limits shall go into effect with the 2012 election. Council seats elected prior to November, 2012 shall not calculate into the term limit formula.

### **Words of Explanation**

These modifications limit the terms of Town Councilors and establish when term limits commence.

### **Referendum Question No. 3--Education**

Shall the Town of Old Orchard Beach approve the charter modifications replacing the references to the School Board/Department of Education and reviving provisions in the July 1998 Charter to provide for the operation of public schools in Old Orchard Beach should Regional School Unit #23 cease to exist, all as recommended by the Charter Commission and partially reprinted and summarized below?

#### **ARTICLE VI. EDUCATION**

In the event that Regional School Unit #23 should cease to exist and no other provisions have been made for the operation of public schools in Old Orchard Beach, then the provisions of the Old Orchard Beach Charter governing education in effect in July, 1998, shall be revived and shall apply to the same extent as if adopted as part of this Charter and shall remain in effect unless and until replaced or superseded by amendment to this Charter or by state law.

#### *Summary of additional changes*

- Article II, Secs. 201, 202 and 203. *Deletes references to School Board.*
- Article III, Sec. 305. *Deletes references to School Board.*
- Article IV, Secs. 409 and 414. *Deletes references to Department of Education and School Board.*
- Article V, Sec. 502.7. *Deletes reference to Department of Education.*
- Article VII, Secs. 702 and 706. *Deletes references to Department of Education and School Board.*
- Article IX, Sec. 904. *Deletes reference to School Department, and changes from public school operated by Old Orchard Beach to public school operated in Old Orchard Beach.*
- Article X, Secs. 1004, 1004.1 and 1005. *Deletes reference to School Board.*
- Article XI, Secs. 1102 and 1104. *Deletes references to School Board.*

#### **Words of Explanation**

These modifications replace the existing language in Article VI referencing the School Board/Department of Education with language reviving the provisions in

the July 1998 Charter to provide for the operation of public schools in Old Orchard Beach should Regional School Unit #23 cease to exist. These modifications are required by the recent changes in the law that require, with certain exceptions, the reorganization of schools into regional school units.

#### **Referendum Question No. 4—All Other Changes**

Shall the Town of Old Orchard Beach approve the charter modifications regarding all other changes as recommended by the Charter Commission and partially summarized below?

##### *Summary of other changes:*

- A uniform system of headings, catch-lines and citations to state statutes has been used. Sections and subsections have been added or deleted consistent with the recommendations of the Charter Commission. Grammar and phrasing changes have been made. Other changes have been made which are minor housekeeping changes. Explanatory language describing the makeup, functions and roles of various parts of the Town government and operation has been added to make it easier to understand how the Town government works. Major substantive changes are individually described below. Section number references are to the proposed new section numbers.
- Article I
  - *Renumbers current section 102, Powers of the Town, to 103, and creates new section 102, “Town Governance,” which identifies the three branches of town government, Legislative and Policy-making, Administrative, and Adjudicative and Advisory, and describes the makeup and roles of each.*
- Article II
  - *Sec. 201.2. Changes the Town Clerk’s term from two years to four years.*
- Article III
  - *Sec. 301(C). Changes the issuance of most general obligation bonds of \$250,000 or more to be subject to overrule by referendum regardless of whether or not they are for capital improvements or capital equipment.*
  - *Sec. 301(D). Changes the time to file a referendum from 20 days to 30 days, the requirement for petition signatures needed to file a referendum from 10% of the registered voters of the Town to 10% of the number of votes cast in the last gubernatorial election, and the*

*time for the Council to revisit the results of a referendum vote from 180 days to 365 days.*

- *Sec. 302. Changes the number of voters who can petition for the enactment of an ordinance from 10% of the registered voters of the Town to 10% of the number of votes cast in the last gubernatorial election, and provides that the Council may not repeal a referendum vote for 365 days from the date of the referendum.*
- *Sec. 303. Changes the issuance of most general obligation bonds of \$500,000 or more to be voted upon by the voters in a referendum regardless of whether or not they are for capital improvements or equipment.*
- *Sec. 305.1. Changes the number of voters required to sign a recall petition from 20% of the qualified voters of the Town to 20% of the number of votes cast in the last gubernatorial election.*
- **Article IV**
  - *Sec. 409.1. Changes the town manager's contract after the probationary period from a term of two years to specify a term of not more than two years.*
  - *Sec. 409.15. Requires property acquired by condemnation and to be sold by the Town to be first offered to the original owner.*
  - *Sec. 412. Changes to include a prohibition on voting on contracts in circumstances where a councilor or a councilor's relative has a financial interest and to include a more comprehensive definition of "relative".*
  - *Sec. 414.2. Sets the compensation of the Town Clerk as not less than an amount equal to the average of that of the top eight department heads.*
- **Article V**
  - *Sec. 502.1. Adds an appeal to the Town Council from a disciplinary action of the Town Manager.*
  - *Sec. 505. Moves current Sec. 505, "General Assistance," to Sec. 507, adds new Sec. 505, "Town Clerk," and outlines more comprehensively the Town Clerk's role.*
  - *Sec. 506. Provides for the appointment of a Chief of Police and Fire Chief rather than Director of Public Safety, provides for an Emergency Management Director, and defines their roles.*

- *Sec. 507. Creates a Department of Finance, with the Town Treasurer as Director of Finance, and moves the Department of General Assistance and Tax Collector to the Department of Finance.*
- *Sec. 511. Creates a Waste Water Department.*
- *Sec. 512. Moves provisions regarding assessment, formerly found in Article VIII, to new Sec. 512.*
- **Article VII**
  - *Sec. 701. Specifies the fiscal year as July 1 to June 30, subject to the Council changing the fiscal year by ordinance.*
  - *Sec. 702. Adds language requiring the Town Council to notify the Town Manager and department heads of an expected budget limit figure six months prior to the beginning of the budget year, and requiring each department head to submit a budget, a projected work plan and an explanatory budget message to the Town Manager 120 days prior to the beginning of the budget year.*
  - *Sec. 706. Changes to require that the budgets for all departments include carryover dedicated accounts and to require the Town Council to make line-item appropriations rather than gross appropriations for each department.*
  - *Sec. 710. Creates a new section establishing a capital improvement program for the Town.*
  - *Sec. 711. Creates a new section authorizing the Town Council to create by ordinance dedicated expense accounts.*
- **Article VIII**
  - *Discusses more comprehensively the functions of the Planning Board, the Zoning Board of Appeals, the Conservation Commission and the Recreation Board, and establishes a Finance Committee, whose composition and responsibilities are established by the Town Council by ordinance.*
- **Article IX**
  - *Sec. 914. Establishes a procedure whereby voters may file a complaint against members of the town government who violate a provision of the Charter, and provides sanctions for such violation.*
  - *Sec. 915. Limits the Town's eminent domain powers.*

- Article XI
  - *Sets out necessary transitional provisions not contained in prior articles.*

**Words of Explanation**

This question enacts all of the changes recommended by the Charter Commission not covered by Questions One, Two and Three.

**Referendum Question No. 5—\$2,000,000 bond issue for construction of an addition to the Edith Belle Libby Memorial Library**

**ORDER OF THE TOWN COUNCIL OF THE TOWN OF OLD ORCHARD BEACH  
TO ISSUE BONDS NOT TO EXCEED A TOTAL OF \$2,000,000  
TO FUND THE FOLLOWING CAPITAL IMPROVEMENT PROJECT:**

<b>Construction of an addition to the Edith Belle Libby Memorial Library</b>	<b>\$ 2,000,000</b>
<b>Total Bond Amount</b>	<b>\$ 2,000,000</b>

**BE IT ORDERED** by the Town Council of the Town of Old Orchard Beach, Maine, in Town Council assembled:

That under and pursuant to the provisions of Title 30-A, Sections 5724 and 5772 of the Maine Revised Statutes, as amended, and the Charter of the Town of Old Orchard Beach, Maine, a capital improvement project consisting of the design, construction, furnishing and equipping of an addition to the Edith Belle Libby Memorial Library is hereby approved; and

That a sum not to exceed \$2,000,000 from bond proceeds is hereby appropriated to provide for a portion of the cost of this project; and

That to fund the bond proceeds portion of the project, the Treasurer and the Chairman of the Town Council are hereby authorized to issue, at one time or from time to time, general obligation securities or other securities of the Town of Old Orchard Beach, Maine, including temporary notes in anticipation of the sale thereof, in an aggregate principal amount not to exceed \$2,000,000; and

That the discretion to fix the date(s), maturity(ies), denomination(s), interest rate(s), place(s) of payment, call(s) for redemption, form(s), and other details of said securities, including execution and delivery of said securities against payment therefor, and to provide for the sale thereof, is hereby delegated to the Treasurer and the Chairman of the Town Council; and

That to fund the balance of the construction of the project, the Treasurer and Chairman of the Town Council are hereby authorized to accept a donation of at least \$250,000 from the Old Orchard Beach Free Public Library Association, to accept other private donations, and to appropriate those donations to the project.

## TOWN OF OLD ORCHARD BEACH FINANCIAL STATEMENT

1. Total Town Indebtedness

A. Bonds outstanding	\$ 10,170,000.00
B. Bonds authorized and unissued	\$ .00
C. Bonds to be issued if this vote is approved	<u>\$ 2,000,000.00</u>
Total:	\$ 12,170,000.00

2. Costs

At an estimated interest rate of 4% percent, for a 20-year maturity, the estimated costs of this bond issue will be:

Principal:	\$ 2,000,000.00
Interest:	<u>\$ 833,753.00</u>
Total Debt Service:	\$ 2,833,753 .00

3. Validity

The validity of the bonds and of the voters' ratification of the bonds may not be affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issue 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.

Jill Eastman  
Treasurer, Town of Old Orchard Beach

**BE IT FURTHER ORDERED**, that the above order shall be submitted to the voters of the Town of Old Orchard Beach, Maine at the regular municipal election to be held November 8, 2011, and the ballot question shall read:

**Question:** Shall the Order reproduced below be adopted?

**ORDER OF THE TOWN COUNCIL OF THE TOWN OF OLD ORCHARD BEACH TO ISSUE BONDS NOT TO EXCEED A TOTAL OF \$2,000,000 TO FUND THE FOLLOWING CAPITAL IMPROVEMENT PROJECT:**

<b>Construction of an addition to the Edith Belle Libby Memorial Library</b>	<b>\$ 2,000,000</b>
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**Total Bond Amount**

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That a sum not to exceed \$2,000,000 from bond proceeds is hereby appropriated to provide for a portion of the cost of this project; and

That to fund the bond proceeds portion of the project, the Treasurer and the Chairman of the Town Council are hereby authorized to issue, at one time or from time to time, general obligation securities or other securities of the Town of Old Orchard Beach, Maine, including temporary notes in anticipation of the sale thereof, in an aggregate principal amount not to exceed \$2,000,000; and

That the discretion to fix the date(s), maturity(ies), denomination(s), interest rate(s), place(s) of payment, call(s) for redemption, form(s), and other details of said securities, including execution and delivery of said securities against payment therefor, and to provide for the sale thereof, is hereby delegated to the Treasurer and the Chairman of the Town Council; and

That to fund the balance of the construction of the project, the Treasurer and Chairman of the Town Council are hereby authorized to accept a donation of at least \$250,000 from the Old Orchard Beach Free Public Library Association, to accept other private donations, and to appropriate those donations to the project.

## **TOWN OF OLD ORCHARD BEACH FINANCIAL STATEMENT**

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Jill Eastman  
Treasurer  
Town of Old Orchard Beach

**Words of Explanation**

This question authorizes the issuance of bonds not to exceed \$2,000,000 and the acceptance of donations from the Old Orchard Beach Free Public Library Association and other sources for the construction of an addition to the Edith Belle Libby Memorial Library