



**PORTLAND WATER DISTRICT, MAINE
\$6,960,000^(*)
2024 WATER SYSTEM REVENUE BONDS (WATER BONDS)
(GREEN BONDS)**

SEALED PROPOSALS will be received by the Portland Water District, Maine (the “District”) at the office of Moors & Cabot, Inc., One Federal Street, 19th Floor, Boston, Massachusetts until:

11:00 O’CLOCK A.M. (E.D.S.T.) TUESDAY, JULY 16, 2024

at which time and place all such proposals will be publicly opened and announced for the sale of \$6,960,000 2024 Series Water System Revenue Bonds (Water Bonds) (the “Bonds”) of the District. The Bonds will be payable on November 1 of each year as follows:

<u>Amount^(*)</u>	<u>November 1,</u>	<u>CUSIP®</u>	<u>Amount^(*)</u>	<u>November 1,</u>	<u>CUSIP®</u>
\$350,000	2025	736606GL2	\$350,000	2035	736606GW8
350,000	2026	736606GM0	350,000	2036	736606GX6
350,000	2027	736606GN8	345,000	2037	736606GY4
350,000	2028	736606GP3	345,000	2038	736606GZ1
350,000	2029	736606GQ1	345,000	2039	736606HA5
350,000	2030	736606GR9	345,000	2040	736606HB3
350,000	2031	736606GS7	345,000	2041	736606HC1
350,000	2032	736606GT5	345,000	2042	736606HD9
350,000	2033	736606GU2	345,000	2043	736606HE7
350,000	2034	736606GV0	345,000	2044	736606HF4

NOTE: ^(*) Preliminary, subject to change.

This Notice of Sale sets forth only a brief summary of certain provisions of the Bonds. For additional information pertaining to the Bonds, a prospective bidder should refer to the District’s Preliminary Official Statement dated July 8, 2024 with respect to the Bonds (the “Preliminary Official Statement”). In the event of any conflict between the Preliminary Official Statement and this Notice of Sale, the Preliminary Official Statement shall control.

The Bonds will be dated August 1, 2024 and will bear interest, payable on May 1, 2025 and semi-annually thereafter on November 1 and May 1 of each year until maturity, or redemption prior to maturity.

It is expected that the Bonds will be available for delivery on or about August 1, 2024.

OPTIONAL REDEMPTION PRIOR TO MATURITY

Bonds maturing on or before November 1, 2034 are not subject to redemption prior to their stated dates of maturity. Bonds maturing on and after November 1, 2035 are subject to redemption prior to their stated dates of maturity, at the option of the District, on and after November 1, 2034, as a whole or in part in at any time, in such order of maturity as the District, in its discretion, may determine, at a price of par (100% of original stated amount of value at maturity), together with interest accrued and unpaid to the redemption date, if any.

The Bonds will be issued by means of The Depository Trust Company's Book-Entry-Only System with no physical distribution of the Bonds made to the public. One certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York City, New York ("DTC") and immobilized in their custody. The Book-Entry Only System will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures established by DTC and its Participants. The winning bidder (the "Original Purchaser"), as a condition to delivery of the Bonds, shall be required to deposit the Bonds with DTC, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable in Clearing House Funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to Beneficial Owners will be the responsibility of such Participants and other nominees of Beneficial Owners. The District will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

The original Bonds to be immobilized at DTC will be prepared under the supervision of and authenticated by U.S. Bank Trust Company, National Association, Boston, Massachusetts, Paying Agent, and their legality approved by Pierce Atwood LLP, Portland, Maine, Bond Counsel, whose opinion will be furnished to the purchaser without charge.

The District does not have the power of taxation, but Chapter 84 of the Private and Special Laws of Maine (1975), as amended and supplemented, provides that the District's rates for services shall be so established by its Trustees to provide revenue to pay current expenses for operating and maintaining the District's operations and to provide for payment of principal and interest on the indebtedness created by the District, including the Bonds.

The legal opinion of Bond Counsel will be provided to the original purchaser and will indicate that the Bonds are valid and binding revenue obligations of the District, payable as to both principal and interest from water revenues, including but not limited to water rates and other lawful charges payable to the District in respect to the provision of water services pursuant to Section 11 of its Charter. The opinion will indicate that the obligations of the District, including the Bonds, are subject to bankruptcy, insolvency, reorganization, moratorium or other laws the rights and remedies of creditors generally and are subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or law) and are subject to the exercise of judicial discretion in appropriate cases. The opinion will be dated and given on and will speak as of the date of original delivery of the Bonds to the original purchasers.

The opinion will further state that assuming compliance with certain tax covenants, under existing statutes, regulations and court decisions, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In addition, such interest is not an item of tax preference for purposes of calculating the alternative minimum tax under the Code. Bond Counsel is also of the opinion that the interest paid on the Bonds is exempt from income tax imposed upon individuals by the State of Maine (the "State") under existing statutes, regulations and court decisions

The Bonds **will not be designated** as "Qualified Tax-Exempt Obligations" for purposes of Section 265(b)(3) of the Code.

There is no litigation, threatened or pending, affecting the validity of the Bonds, the corporate existence or the boundaries of the District, or the title of the present officers to their respective offices, and the purchaser or purchasers will be furnished with a certificate to this effect.

Bid Specifications

Bids must specify the amount bid for the Bonds, not less than all of the par value of the issue and:

- Must state in a multiple of one-eighth (1/8) or one twentieth (1/20) of one per centum (1%) the rate or rates of interest per annum which the several maturities of the Bonds are to bear;
- **The Serial Bonds:** The Bonds will be issued as Serial Bonds and no proposal to consolidate maturities into a Term Bond(s) will be considered;
- **Minimum Bid:** A minimum bid of 100.000% of the issue amount is required;
- **Application of Bid Premium:** Bid premium, if any, may be used at the pleasure of the District to retain for other eligible projects; capitalize construction period interest; pay for costs of issuance; and/or to apply funds to the project(s) that would reduce the annual amount(s) of bonds issued to finance the project(s);
- Should the District apply bid premium to reduce the amount of bonds issued the District will apply the same percentage amount of “underwriters spread per thousand” to the reduced issue amount;
- Whereas *PARITY*[®] is apparently unable to calculate bids which include split or supplemental interest rates for a single maturity the District expects that Bonds maturing in any one year will carry the same interest rate and each interest period shall be represented by one interest rate. However, there is no prohibition against split or supplemental interest rates for a single maturity;
- The original purchaser must also pay an amount equal to the interest on the Bonds accrued to the date of delivery, if any;
- A “Good Faith” deposit is not required.

As between proposals which comply with this Notice, the Bonds will be sold to the bidder whose proposal offers to purchase all of the Bonds at the lowest True Interest Cost (“TIC”), that is, the annual interest rate, compounded semiannually, which when used to discount **to the August 1, 2024 delivery date** all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds including accrued interest to the date of delivery but which will include any premium bid thereon. The TIC should be computed to four decimal places. Bids must be submitted through:

- (a) In a sealed envelope marked “Proposal for Bonds” and addressed to the Portland Water District, Maine, c/o Moors & Cabot, Inc. – Banking & Advisory Group, One Federal Street, Boston, MA 02109-5483; or
- (b) Although telephone bids will not be accepted by the District, the Municipal Advisor will prepare sealed bids as agent for the bidder, per telephone instructions received at (617) 314-0258 *prior to sale time on Tuesday, July 16, 2024*. The Municipal Advisor shall not be responsible for any errors or omissions in connection with bids submitted as agent on behalf of bidders. The Municipal Advisor may be contacted as follows:

Joseph P. Cuetara, Senior Vice President
Moors & Cabot, Inc. – Banking & Advisory Group
One Federal Street
Boston, MA 02110
(617) 314-0258
jcuetara@moorscabot.com

- (c) Via FACSIMILE copy to the Municipal Advisor at (617) 314-0258 *received not later than 11:00 A.M. (E.D.S.T.) on Tuesday, July 16, 2024*; or
- (d) Electronically via i-DealSM *PARITY*[®] in accordance with this Notice of Sale, until 11:00 A.M. E.D.S.T., but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in *PARITY*[®] conflict with this Notice of Sale, the terms of this Notice of Sale shall control. Each bidder submitting an electronic bid understands and agrees by doing so that it is solely responsible for all arrangements with *PARITY*[®], that the District neither endorses nor encourages the use of *PARITY*[®], and that *PARITY*[®] is not acting as an agent of the District. Instructions and forms for submitting electronic bids must be obtained directly from *PARITY*[®]. For further information about *PARITY*[®], potential bidders should contact Dalcomp at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

The District assumes no responsibility for ensuring or verifying bidder compliance with *PARITY*[®] procedures. The District shall be entitled to assume that any bid received via *PARITY*[®] has been made by a duly authorized agent of the bidder. The District, the Municipal Advisor and Bond Counsel assume no responsibility for any malfunction of the *PARITY*[®] system, any failure of a bid to be received at the official time, or any error contained in any bid submitted electronically. The official time for receipt of bids will be determined by the District at the place of bid opening, and the District shall not be required to accept the time kept by *PARITY*[®] as the official time. In the event of a malfunction of the *PARITY*[®] system, bidders should submit their bids as discussed in the above (a), (b) or (c) manner on the PROPOSED FORM OF BID LETTER attached hereto.

The right is reserved to reject any or all proposals and to reject any proposal not complying with this Notice of Sale, and, so far as permitted by law, to waive any irregularity or informality with respect to any proposal. A final decision as to the award of the bid rests with and is subject to confirmation by the Treasurer of the District.

The District has not contracted for the issuance of any policy of municipal bond insurance for the Bonds. If the Bonds qualify for issuance of any such policy or commitment therefore, any purchase of such insurance or commitment shall be at the sole option and expense of the bidder and any increased costs of issuance or delivery of the Bonds resulting by reason of such insurance shall be paid by such bidder. Proposals shall not be conditioned upon the issuance of any such policy or commitment and any failure of the Bonds to be insured or of any such policy or commitment to be issued shall not in any way relieve the purchaser of their contractual obligations arising from the acceptance of their proposal for the purchase of the Bonds.

The Municipal Advisor intends to provide the purchaser of the issue with CUSIP identification numbers as is discussed in the Preliminary Official Statement, in compliance with MSRB Rule G-34, (a)(i) (A)-(H). As is further discussed in Rule G-34 the purchaser, as the “dealer who acquires” the issue, is responsible for the registration fee to the CUSIP Bureau for this service. It is anticipated that CUSIP identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the District, provided, however, that the District assumes no responsibility for any CUSIP Service Bureau charge or other charges that may be imposed for the assignment of such numbers.

Additional information concerning the District and the Bonds is contained in the Preliminary Official Statement dated July 8, 2024 which has been distributed and to which prospective bidders are directed. Such Preliminary Official Statement is provided for informational purposes only and is not a part of this Notice of Sale. A copy of the District’s Preliminary Official Statement dated July 8, 2024 may be obtained by contacting: Moors & Cabot, Inc. – Banking & Advisory Group, One Federal Street, Boston, MA 02110; or by telephone at (617) 314-0258.

The Preliminary Official Statement is in a form “deemed final” by the District for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in a final Official Statement.

The District agrees to advise the purchaser, by written notice, of any developments that impact the accuracy and completeness of the key representations (within the meaning of SEC Rule 15c2-12) contained in the final Official Statement, which may occur during the period commencing on the date of the acceptance by the District of its proposal and ending on the 90th day next following such date of acceptance, unless such final Official Statement is available from the Municipal Securities Rulemaking Board, in which event such period shall end on the 25th day.

In order to assist bidders in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the District will undertake to provide annual reports and notices of certain material events on a timely basis. A description of this undertaking is set forth in APPENDIX C of the Preliminary Official Statement.

A pdf word-searchable electronic version of the final Official Statement will be prepared and distributed for this issue at the District’s expense within seven (7) business days after the date of the award of the Bonds. If desired, the purchaser will be furnished up to 100 copies of the final Official Statement prepared for this issue at the District’s expense within seven (7) business days after the date of the award of the Bonds. Additional copies may be obtained by the purchaser at its own expense by arrangement with the printer.

We will rely upon the purchaser to file a completed DTC Eligibility Questionnaire and the MSRB Form G-36(OS) and to effect the electronic filing of the final Official Statement to <http://emma.msrb.org/submission> as the purchaser’s responsibility. U.S. Bank Trust Company, National Association, as Paying Agent, will keep the original opinion and certificates and copies of the supporting documents which may be examined at its office in Boston, Massachusetts, upon reasonable notice.

As of the date of delivery of the Bonds and as a condition precedent to the delivery of the Bonds by the District, the successful bidder shall furnish to the District a certificate in a form provided by and acceptable to Bond Counsel (the “Issue Price Certificate”). The Issue Price Certificate shall state that it is made on the best knowledge, information and belief of the successful bidder after appropriate investigation.

The Issue Price Certificate shall set forth:

- (i) The “issue price” of the Bonds as defined in Treasury Regulation §1.148-1(f);
- (ii) The weighted average maturity of the Bonds as defined in the Internal Revenue Service’s “Instructions for Form 8038-G” for Line 21(d);
- (iii) The yield of the Bonds (sometimes referred to as the arbitrage yield) as defined in the Internal Revenue Service’s “Instructions for Form 8038-G” for Line 21(e);
- (iv) That the issue price of the Bonds does not exceed the fair market value of the Bonds as of such date of sale; and
- (v) If a municipal bond insurance policy or similar credit enhancement is obtained with respect to the Bonds by the successful bidder, such bidder will also be required to certify as to the net present value savings on the Bonds resulting from payment of insurance premiums or other credit enhancement fees.

Further Discussion of Issue Price Certificate.

Competitive Sale Requirements Met. If the competitive sale requirements set forth in Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) are satisfied, the Issue Price Certificate will establish the issue price of the Bonds

under Treasury Regulation Section 1.148-1(f)(2)(iii). To that end, the Municipal Advisor will certify to the successful bidder that the following conditions are true:

- (1) The District has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) All bidders had an equal opportunity to bid;
- (3) The District received bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) The District awarded the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid and each bidder, by submitting its bid, agrees that it shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal bonds and that is an “underwriter” that intends to reoffer the Bonds to the public.

Competitive Sale Requirements Not Met. If the competitive sale requirements set forth in Treasury Regulation Section 1.148-1(f)(3)(i) are not satisfied, the District shall so advise the winning bidder. If such competitive sale requirements are not met, the Issue Price Certificate will establish the issue price of the Bonds under Treasury Regulation Section 1.148-1(f)(2)(i), as follows:

- (i) The District shall treat the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the District if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The District will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.
- (ii) Until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the District and the Municipal Advisor the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to all Bonds. The successful bidder shall be obligated to report each sale of Bonds to the Municipal Advisor until notified in writing by the District or the Municipal Advisor that it no longer needs to do so.

Moors & Cabot, Inc. has acted as Municipal Advisor to the District with respect to the issuance of the Bonds pursuant to Municipal Securities Rulemaking Board Rule G-23. Moors & Cabot, Inc. does not intend to submit a bid on, or participate in an underwriting syndicate for the public distribution of, the Bonds.

It is expected that the Bonds, in definitive form, will be available for delivery on or about August 1, 2024, against payment of the purchase price in Federal Reserve funds payable to the order of the “Portland Water District, Maine”, and will be delivered to The Depository Trust Company, New York City, New York.

PORTLAND WATER DISTRICT, MAINE

July 8, 2024

By: David M. Kane
Treasurer

PROPOSED FORM OF BID

**PORTLAND WATER DISTRICT, MAINE
\$6,960,000
2024 WATER SYSTEM REVENUE BONDS (WATER BONDS)
(GREEN BONDS)**

July 16, 2024

David M. Kane, Treasurer
Portland Water District
c/o Moors & Cabot, Inc.
Banking & Advisory Group
One Federal Street
Boston, MA 02110

Dear Mr. Kane:

In accordance with the provisions of the Notice of Sale dated July 8, 2024, which Notice of Sale is made a part of this proposal, we offer to purchase \$6,960,000 2024 Series Water System Revenue Bonds (Water Bonds) of the Portland Water District, Maine, at par and accrued interest to the August 1, 2024 date of delivery plus a premium of \$_____, which represents a TIC of _____%, and bearing interest at the rates of:

<u>Nov. 1,</u>	<u>Amount^(*)</u>	<u>Interest Rate</u>	<u>Nov. 1,</u>	<u>Amount^(*)</u>	<u>Interest Rate</u>
2025	\$350,000	_____	2035	\$350,000	_____
2026	350,000	_____	2036	350,000	_____
2027	350,000	_____	2037	345,000	_____
2028	350,000	_____	2038	345,000	_____
2029	350,000	_____	2039	345,000	_____
2030	350,000	_____	2040	345,000	_____
2031	350,000	_____	2041	345,000	_____
2032	350,000	_____	2042	345,000	_____
2033	350,000	_____	2043	345,000	_____
2034	350,000	_____	2044	345,000	_____

^(*) Preliminary, subject to change.

The undersigned hereby acknowledges receipt of the Preliminary Official Statement dated July 8, 2024, referred to in the Notice of Sale dated July 8, 2024, and the terms thereof are expressly made a part of this bid.

SUMMARY	
Summary made as requested in the Notice of Sale from delivery date of August 1, 2024:	
Total Interest Expense	\$ _____
(Less Premium)	(\$ _____)
Net Total Interest Expense	\$ _____
True Interest Rate (TIC)	_____ %

Respectfully submitted,

(Company) (DTC)

(By)

(Address)
()

(Telephone)

Moors & Cabot, Inc. of Boston, Massachusetts will assist in the submitting of bids on this issue. Please mail your signed bid form in advance and telephone or send via facsimile final figures approximately 15 minutes before the sale time. Telephone: (617) 314-0258; Facsimile: (617) 314-0258.