



**YARMOUTH WATER DISTRICT
\$2,800,000
2021 REVENUE OBLIGATION BOND ANTICIPATION NOTES**

This Notice of Sale sets forth only a brief summary of certain provisions of the Yarmouth Water District, Maine 2021 Revenue Obligation Bond Anticipation Notes (the “Notes”).

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

11:00 O’CLOCK A.M. (E.D.S.T.) WEDNESDAY, MARCH 17, 2021

at which time and place all such proposals will be publicly opened and announced for the sale of \$2,800,000 2021 Revenue Obligation Bond Anticipation Notes of the District.

The Notes will be dated April 1, 2021 and will be issued only as fully-registered notes without coupons and, when issued, will be registered in the name of Cede & Co., as nominee for DTC. DTC will act as the securities depository for the Notes. Purchases of the Notes will be made in book-entry form, in the minimum denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof. The Notes will bear interest (accrued on the basis of a 360-day year with twelve 30-day months), payable on their maturity date. The Notes will mature on December 30, 2021 (270 days; 2,092.222 Bond Years).

The Notes are not subject to redemption prior to their stated date of maturity. It is expected that the Notes will be available for delivery at DTC on or about April 1, 2021.

The Notes will be issued by means of The Depository Trust Company’s Book-Entry-Only System with no physical distribution of certificates made to the public. One certificate for each interest rate 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 Notes, 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 Notes, shall be required to deposit the certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable in Federal Reserve Funds to DTC or its nominee as registered owner of the Notes. 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 Note certificates to be immobilized at DTC will be prepared under the supervision of and authenticated by U.S. Bank National Association, Boston, Massachusetts, Paying Agent, and their legality approved by Pierce Atwood LLP, Portland, Maine, Bond Counsel to the District (“Bond Counsel”), whose opinion will be furnished to the purchaser without charge. The form of such opinion is set forth in the Preliminary Official Statement.

The Notes will be issued pursuant to Chapter 72 of the Private and Special Laws of Maine (1923), as amended and supplemented (the “Charter”), and by resolutions authorizing the Notes adopted by the District Board of Trustees at its meeting held on February 2, 2021. The proceeds for the Notes are to provide interim funds to finance a new booster pump in North Yarmouth and to construct and install approximately 8,300 feet of new water mains in, along and near Sweetser Road to the new booster pump station.

The Notes are obligations of the District, the principal and interest on which are payable from any funds of the District legally available therefor including (a) monies received as rates and other lawful charges payable to the District in consideration of water services rendered or contracted for, (b) income and interest received from the investments of such monies and (c) proceeds derived from additional borrowings of the District made to refund the Notes.

The District does not have the power of taxation, but Section 10 of the District Charter provides that the District rates for services shall be so established by its Trustees, subject to review and approval by the Maine Public Utilities Commission pursuant to 35-A, Section 310 of the Maine Revised Statutes, to provide revenue to pay current expenses for operating and maintaining the District's waterworks and to provide for payment of principal and interest on the indebtedness created by the District, including the Notes.

THE NOTES ARE NOT A DEBT OR OBLIGATION OF, NOR ARE THE NOTES GUARANTEED BY, THE TOWN OF YARMOUTH, THE TOWN OF NORTH YARMOUTH, THE STATE OF MAINE OR ANY MUNICIPALITY THEREIN OR POLITICAL SUBDIVISION THEREOF, EXCEPT FOR THE DISTRICT.

Bond Counsel's opinion will be provided to the original purchaser and will indicate that the Notes are valid and binding legal obligations of the Yarmouth Water District, and are payable as to both principal and interest from rates and other lawful charges established by the District and any other monies pledged therefor. The opinion will indicate that the obligations of the District, including the Notes, are subject to bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights and remedies of creditors generally 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 Notes to the original purchasers.

The District will designate the Notes 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 Notes, 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 a rate of interest in a multiple of one-hundredth (1/100) of one percent (1%) per annum per portion of the par value of Notes being bid.

- ***Minimum Bid:*** Only bids at or greater than 100.2143% of the issue amount (or \geq \$6,000.00 bid premium) will be accepted;
- ***Application of Bid Premium:*** Bid premium may be used to apply funds to pay for costs of issuance, capitalized interest, reduce the amount of Notes, or to apply to costs of the projects financed with the Notes.

Only split bids greater than or equal to a minimum of \$1,000,000 of the par value of the Notes will be considered. If any of the Notes are awarded in a principal amount less than the total amount of the bid, any premium offered in connection therewith shall be pro-rated accordingly. As between proposals which comply with this Notice, each series of Notes will be awarded to the bidder whose proposal offers to purchase the respective series of Notes at the lowest Net Interest Cost ("NIC"), such cost under each proposal to be determined by computing the total amount of interest payable on the Notes, from their date

until their maturity date and deducting there from the premium, if any, offered in such proposal progressively until all of the Notes are bid. If there be more than one proposal making said offer at the same lowest NIC, the Notes will be sold to the bidder whose proposal is selected by the District by lot from among all such proposals. *A “Good Faith” deposit is not required.*

Bids must be submitted:

- (a) In a sealed envelope marked “Proposal for Notes” and addressed to the Yarmouth Water District, Maine, c/o Moors & Cabot, Inc. – Banking & Advisory Group, One Federal Street, Boston, MA 02110;
- (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 Wednesday, March 17, 2021.* 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 – 19th Floor
Boston, MA 02110
jcuetara@moorscabot.com

- (c) Via FACSIMILE copy to the Municipal Advisor at (617) 314-0258 *received not later than sale time on Wednesday, March 17, 2021;* 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, 19th 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 by 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 accept or 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 Superintendent of the District. When the successful bidder has been ascertained, the District will notify such bidder.

The purchaser(s) of the issue is(are) expected to provide CUSIP identification numbers, in compliance with MSRB Rule G-34, (a)(i) (A)-(H). Further, 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 Notes. All expenses in relation to the printing of CUSIP numbers on the Notes 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.

Financial and Operating Information

No Official Statement is being delivered by the District in connection with the sale of the Notes. The offering of the Notes is exempt from the operation of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, pursuant to Section (b)(d)(1)(i) of the Rule. This section exempts the requirement for an Official Statement for a primary offering of municipal securities in authorized denominations of \$100,000 or more, if such securities: (i) are sold to no more than thirty-five persons each of whom the participating Underwriter reasonably believes: (A) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment; and (B) is not purchasing for more than one account or with a view to distributing the securities; and Section (b)(d)(1)(ii) of the Rule which exempts the requirement for an Official Statement if the issue has a maturity of nine months or less.

But, to assist the analysis of the District’s credit, information is available on the District’s filings with the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access System (“EMMA”) [<https://emma.msrb.org/IssueView/Details/EP350280>], providing the most recent financial and operating information that would be available should an Official Statement for the Notes have been produced and distributed. Additional financial and operating information for the District’s prior years is on EMMA, CUSIP base 985071.

Rating

The District has applied to Standard & Poor’s Global Ratings (“S&P”) for a rating on the Notes. The rating, if obtained, will reflect only the view of S&P and will be subject to revision or withdrawal, which could affect the market price of the Notes. S&P should be contacted directly for its rating on the Notes and their explanation of such rating.

Issue Price Certificate

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

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 Notes) are satisfied, the Issue Price Certificate will establish the issue price of the Notes 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 Notes who have established industry reputations for underwriting new issuances of municipal Notes; and
- (4) The District awarded the sale of the Notes to the bidder who submits a firm offer to purchase the Notes 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 Notes, 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 Notes and that it is an “underwriter” that intends to reoffer the Notes 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 Notes 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 Notes (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 Notes satisfies the 10% test as of the date and time of the award of the Notes. 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 Notes 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 Notes will be subject to the 10% test in order to establish the issue price of the Notes.
- (ii) Until the 10% test has been satisfied as to each maturity of the Notes, the winning bidder agrees to promptly report to the District and the Municipal Advisor the prices at which the unsold Notes 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 Notes. The successful bidder shall be obligated to report each sale of Notes 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 Notes pursuant to Municipal Securities Rulemaking Board Rule G-23. Moors & Cabot, Inc. does not intend to submit its bid on, or participate in an underwriting syndicate for the public distribution of, the Notes.

It is expected that the Notes, in definitive form, will be available for delivery on or about April 1, 2021, against payment of the purchase price in Federal Reserve funds payable to the order of the “Yarmouth Water District, Maine”, and will be delivered to The Depository Trust Company, New York City, New York.

March 5, 2021

Eric Gagnon, Superintendent
Yarmouth Water District

TERMS

**YARMOUTH WATER DISTRICT, MAINE
\$2,800,000
2021 REVENUE OBLIGATION
BOND ANTICIPATION NOTES**

ISSUER: Yarmouth Water District, Maine
TAX ID 01-6000848
ISSUE: 2021 Revenue Obligation Bond Anticipation Notes
PRINCIPAL AMOUNT: \$2,800,000
BOND RATINGS Aa3/AA-
NOTE RATINGS: _____
INTEREST RATE: ____%
BID: Premium: (\$_____) = NIC: _____% (____.____)
REOFFERING: ____ yield; (____.____)
DATED DATE: April 1, 2021
DUE DATE: December 30, 2021
CALL FEATURES: The Notes are not subject to redemption prior to maturity
INTEREST DUE: At maturity or redemption prior to maturity
BASIS: 30 day months/360 day year
DAYS: 270 days
BOND YEARS: 2,092.222 Bond Years
TAX STATUS: Federally and State of Maine tax exempt; not subject to AMT
Q&D STATUS: The Notes **WILL** be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code
PURCHASER(S): _____
CUSIP(S): 985071____
NOTE FORM: Registered CEDE & Co.
DENOMINATIONS: Pieces by \$100,000 and \$5,000 thereafter
CLOSING DATE: On or about April 1, 2021
PAYING AGENT: US Bank National Association, Boston, Massachusetts
LEGAL OPINION: Pierce Atwood LLP, Portland , Maine
MUNICIPAL ADVISOR Moors & Cabot, Inc., Boston, Massachusetts

PROPOSED FORM OF BID LETTER

YARMOUTH WATER DISTRICT, MAINE

\$2,800,000

2021 REVENUE OBLIGATION BOND ANTICIPATION NOTES

Sale Date: March 17, 2021

Eric Gagnon, Superintendent
 Yarmouth Water District
 c/o Moors & Cabot, Inc.
 Banking & Advisory Group
 One Federal Street – 19th Floor
 Boston, MA 02110

Dear Mr. Gagnon:

For the above captioned Notes, dated April 1, 2021 and maturing December 30, 2021 as described in the Notice of Sale dated March 5, 2021 and hereby made a part of this proposal, we hereby offer to purchase Notes in the respective principal amounts and bearing interest, calculated on the basis of 30 day months in a 360 day year^(*), at the respective rate(s) per annum, including a premium of \$_____^(#), which represents a NIC of _____%, and to pay you therefore par and accrued interest to date of delivery plus the premium(s), in Federal Reserve Funds as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Expense</u>	<u>(Less Premium)</u>	<u>Net Interest Expense</u>	<u>NIC</u>
_____	%	\$ _____	\$ _____	\$ _____	%
_____	%	\$ _____	\$ _____	\$ _____	%
_____	%	\$ _____	\$ _____	\$ _____	%
_____	%	\$ _____	\$ _____	\$ _____	%

NOTE: ^(*) 270 days; 2,092.222 Bond Years.

^(#) Only bids at or greater than 100.2143% of the issue amount (or \geq \$6,000.00 bid premium) will be accepted.

The undersigned hereby acknowledges receipt of the Preliminary Official Statement dated March 5, 2021, referred to in the Notice of Sale dated March 5, 2021, 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 April 1, 2021:	
Total Interest Expense	\$ _____
(Less Premium)	(\$ _____)
Net Total Interest Expense	\$ _____
True Interest Rate (NIC)	%

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 before the sale time. Telephone: (617) 314-0258; Facsimile: (617) 314-0258.

