

NOTICE OF SALE

TOWN OF EVANS ERIE COUNTY, NEW YORK

\$1,032,000 BOND ANTICIPATION NOTES, 2018A (the "Notes")

SALE DATE: May 15, 2018 TELEPHONE: (716) 662-3910
TIME: 11:00 A.M. FACSIMILE: (716) 662-6684
(Prevailing Time)
PLACE OF SALE: Capital Markets Advisors, LLC
4211 N. Buffalo Road, Suite 19
Orchard Park, NY 14127
DATE OF NOTES: May 23, 2018
MATURITY DATE: May 23, 2019

Sealed proposals, telephone proposals or fax proposals will be received at the place and time on the Sale Date by Mary Hosler, Town Supervisor (the "Sale Officer") of the Town of Evans, Erie County, New York (the "Town") as hereinabove indicated, for the purchase at not less than par of the Notes as hereinabove described.

The timely delivery of all proposals submitted by facsimile transmission (FAX) must be in legible and completed form, signed by an authorized representative of the bidder, and shall be the sole responsibility of the bidder. The Town shall not be responsible for any errors and/or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

The Notes are issued pursuant to the Constitution and Laws of the State, including among others, the Town Law and the Local Finance Law, and various bond resolutions duly adopted by the Town Board on the respective dates noted in the table below, authorizing the issuance of serial bonds (and bond anticipation notes in anticipation thereof) for various capital projects in and for the Town. A portion of The Notes (\$555,000) along with a budgetary appropriation of \$35,000 will be used to redeem bond anticipation notes maturing on May 24, 2018 and to provide original financing in the amount of \$477,000, as described below:

<u>Purpose</u>	<u>Authorization Date</u>	<u>Amount Outstanding</u>	<u>Original Issue Date</u>	<u>Principal Paydown</u>	<u>New Money</u>	<u>The Notes</u>
Highway & Parks Equipment and Improvements	08/12/15	\$ 345,000	11/04/15	\$20,000	\$ 0	\$ 325,000
Town Hall Improvements	08/12/15	45,000	11/04/15	15,000	0	30,000
Improvements to Sturgeon Point Marina	04/05/17	40,000	05/24/17	0	0	40,000
Roof Replacement at Highway Dept.	04/05/17	160,000	05/24/17	0	0	160,000
Roof Replacement at Highway Dept.	01/24/18	0	05/23/18	0	250,000	250,000
Various Equipment Purchase	04/04/18	0	05/23/18	0	227,000	227,000
		<u>\$590,000</u>		<u>\$35,000</u>	<u>\$477,000</u>	<u>\$1,032,000</u>

Said Notes are general obligations of the Town and the faith and credit of such Town are pledged for payment of the principal of and interest on such Notes. Principal and interest on the Notes are payable at maturity in Federal Funds. All the taxable real property in said Town will be subject to the levy of ad valorem taxes, sufficient to pay the principal of and interest on such Notes, but subject to applicable statutory limitations (see "TAX LEVY LIMITATION LAW" in the accompanying Official Statement). The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and a 360-day year basis, payable at maturity.

At the option of the purchaser, the Notes will be issued in book-entry registered form or, registered certificate form. If the Notes are issued in book-entry registered form, the Notes will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Notes. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, except for one necessary odd denomination in excess of \$5,000. Purchasers will not receive certificates representing their ownership interest in the Notes. Payment of the principal of and interest on the Notes will be made by the Town to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial Owners of the Notes as described herein. See "THE NOTES - Book-Entry Only System" herein.

If the Notes are issued in registered certificated form, the notes will be issued in denominations of \$5,000, except for an odd denomination in excess of \$5,000, as may be determined by the successful bidder. Payment of the principal and interest on such Notes will be made at the office of the Town Clerk, 8787 Erie Rd., Angola, New York.

Bids must be made for all of the Notes and must state a single rate of interest therefor in a multiple of 1/100th or 1/8th of one per centum per annum. Conditional bids will be rejected.

The Notes will be awarded to the bidder complying with the terms of this Notice of Sale and offering to purchase the Notes at the lowest net interest cost, that being the rate of interest which will produce the least interest cost over the life of the Notes, after accounting for the premium offered, if any; provided, however, that if two or more bidders offer to purchase the Notes at the same lowest net interest cost, then such award will be made to one of said bidders selected by lot or by another customary method from among all said bidders.

The right is reserved by the Town to reject any or all bids and any bid not complying with the terms of this notice will be rejected.

Award of the Notes is expected to be made promptly after opening of the bids, but the successful bidder may not withdraw its proposal until two hours after the time set forth above on the day of such bid opening and then only if such award has not been made prior to the withdrawal. The Notes will be delivered and shall be paid for on or about the Date of Notes at such place and on such business day and at such hour, as the Sale Officer and successful bidder shall mutually agree.

If the Notes will be issued in registered book entry form, CUSIP identification numbers will be printed on the Notes if Bond Counsel is provided with such numbers in written form by either fax or email by the close of business on the Sale Date of the Notes, but neither the failure to print such number on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery and pay for the Notes in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Town; provided, however, that the CUSIP Service Bureau charge for the assignment of said number shall be the responsibility of and shall be paid for by the purchaser.

As a condition to each purchaser's obligation to accept delivery of and pay for the Notes, such purchaser will be furnished, without cost, the following, dated as of the date of the delivery of and payment for said Notes: (i) a certificate of the Town Supervisor certifying that (a) as of the date of the Official Statement furnished by the Town in relation to said Notes, said Official Statement did not contain any untrue statements of material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in said Official Statement obtained from sources other than the Town is not guaranteed as to accuracy, completeness or fairness, he has no reason to believe and does not believe that such information is materially inaccurate or misleading, and (b) to his knowledge, since the date of said Official Statement, there have been no material transactions not in the ordinary course of affairs entered into by the Town and no material adverse changes in the general affairs of the Town or in its financial condition as shown in said Official Statement other than as disclosed in or contemplated by said Official Statement, (ii) a Closing Certificate, constituting a receipt for the

Note proceeds and a signature certificate, which will include a statement that no litigation is pending, or to the knowledge of the signers, threatened affecting the Notes, (iii) an arbitrage certificate executed on behalf of the Town which will include, among other things, covenants, relating to compliance with the Internal Revenue Code of 1986, as amended, (the "Code"), with the owners of the Notes that the Town will, among other things, (A) take all actions on its part necessary to cause interest on the Notes to be excluded from the gross income of the owners thereof for Federal income tax purposes, including without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Notes and investment earnings thereon, making required payments to the Federal Government, if any, and maintaining books and records in a specified manner, where appropriate, and (B) refrain from taking any action which would cause interest on the Notes to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Notes and investment earnings thereon on certain specified purposes; (iv) a Certificate of the Town, executed by the Supervisor, stating that the Town has agreed, in accordance with the Rule 15c2-12 (as defined below), to provide or cause to be provided, timely notice of the occurrence of certain events with respect to the Notes, and (v) an approving legal opinion as to the validity of the Notes of Harris Beach PLLC, Bond Counsel, Rochester, New York. Reference should be made to said Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Notes and matters covered by such legal opinion. Furthermore, reference should be made to the information under the headings "LEGAL MATTERS" and "TAX EXEMPTION" in the Official Statement.

The Notes **will NOT be** designated or deemed designated by the Town as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

The successful bidder may at its option refuse to accept the Notes if prior hereto the arbitrage certificate referred to above in form and tenor satisfactory to Bond Counsel is not delivered or if any income tax law of the United States of America is hereafter enacted which shall provide that the interest on the Notes is taxable, or shall be taxable at a future date for federal income tax purposes, and in any such case such bidder will be relieved from its or their contractual obligation arising from the acceptance of its or their proposal.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a "courtesy bid" being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the "issue price" of the Notes pursuant to U.S. Treasury Regulation Section 1.148-1(f)(3)(i), including the requirement that bids be received from at least three (3) underwriters (as defined below) who have established industry reputations for underwriting new issuances of municipal bonds and notes (the "Competitive Sale Requirements"). The Financial Advisor will advise the winning bidder if the Competitive Sale Requirements were met at the same time it notifies the winning bidder of the award of the Notes. Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.

Each winning bidder shall, within one (1) hour after being notified of an award of the Notes, advise Capital Market Advisors (the "Municipal Advisor") by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Notes (the "Initial Reoffering Price") awarded to such bidder as of the date of the award.

By submitting a bid, each bidder (unless such bidder would be purchasing the Notes for its own account and not with a view to distribution or resale to the public (as defined below)) represents that it has an established industry reputation for underwriting new issuances of municipal bonds and notes and agrees that if it is a winning bidder and if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. Such election must be made on the bid form submitted by each bidder.

(1) **Hold the Price.** Such winning bidder:

(a) will make a bona fide offering to the public of each maturity of the Notes to be purchased by such winning bidder at the Initial Reoffering Price for such maturity and provide the Financial Advisor and Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will neither offer nor sell any Notes within a maturity to any person at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which such winning bidder has sold to the public at least 10 percent of the Notes of such maturity at a price that is no

higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Notes, and

(c) has or will include or cause to be included within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which either such winning bidder or another member of any underwriting syndicate established by such winning bidder for the Notes is a party) relating to the initial sale of the Notes to the public, and in the related pricing wire, language obligating each underwriter to comply with the limitations on the sale of the Notes as set forth above.

(2) **Follow the Price.** Such winning bidder:

- (a) will make a bona fide offering to the public of each maturity of the Notes to be purchased by such winning bidder at the Initial Reoffering Price for such maturity and provide the Financial Advisor and Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,
- (b) will report to the Financial Advisor and Bond Counsel information regarding the actual prices at which at least 10 percent of the Notes within each maturity of the Notes to be purchased by such winning bidder have been sold to the public,
- (c) will provide the Financial Advisor and Bond Counsel with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Notes, will continue until such date that 10 percent of each maturity of the Notes to be purchased by such winning bidder has been sold to the public, and
- (d) has or will include or cause to be included within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which either such winning bidder or another member of any underwriting syndicate established by such winning bidder for the Notes is a party) relating to the initial sale of the Notes to the public and in the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

For purposes of the “Hold the Price” and “Follow the Price” requirements set forth in options (1) and (2) above, a “maturity” refers to Notes that have the same interest rate, credit and payment terms.

Regardless of whether or not the Competitive Sale Requirements were met, each winning bidder shall submit to the Town a certificate (the “Reoffering Price Certificate”), satisfactory to Bond Counsel, prior to the delivery of the Notes stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the Financial Advisor.

If a winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Requirements were met, the Reoffering Price Certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

For purposes of this Notice of Sale, the following terms shall have the following respective meanings:

(A) the “public” means any person other than an underwriter or a related party (as defined below) to an underwriter;

(B) an “underwriter” means (i) each winning bidder (unless such winning bidder is purchasing the Notes for its own account and not with a view to distribution or resale to the public), (ii) any person that agrees pursuant to a written contract with such winning bidder to form an underwriting syndicate to participate in the initial sale of the Notes to the public, and (iii) any person that agrees pursuant to a written agreement with either such winning bidder or any other member of an underwriting syndicate for the Notes to participate in the initial sale of the Notes to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Notes to the public); and

(C) a “related party” (as defined in U.S. Treasury Regulation 1.150-1(b)) to an underwriter generally means any person who has greater than 50 percent common ownership, directly or indirectly, with such underwriter.

In making the representations described above, each winning bidder must reflect the effect on the offering prices of any "derivative products" (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Notes.

The Official Statement is in a form "deemed final" by the Town for purposes of the Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"), except for the omission therefrom of those items allowable under Rule 15c-12. In order to assist bidders in complying with Rule 15c2-12 and as part of the Town's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the Notes the Town will provide an executed copy of its "Undertaking to Provide Notices of Certain Events." Said undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Notes, to provide to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, notice of the occurrence of certain events, as enumerated in said Rule 15c2-12. See "DISCLOSURE UNDERTAKING – Disclosure Undertaking for the Notes" in the Official Statement.

The Town will provide a reasonable number of Official Statements to the successful bidder within five (5) business days following receipt of a written request therefor made to the Town and its financial advisor. Such request may specify the applicable (a) offering price, (b) selling compensation, (c) rating(s), (d) credit enhancement and (e) identity and supplemented by the information so specified. Neither the Town nor its financial advisor shall be liable in any manner for any delay, inaccuracy, or omission on the part of the successful bidder with respect to such request, nor shall the Town's failure, as a result thereof, to provide the Official Statement (whether or not modified or supplemented) within the above time period, constitute cause for a failure or refusal by such bidder to accept delivery of and pay for the Notes in accordance with the terms hereof.

Copies of the Notice of Sale and this Official Statement may be obtained upon request from the offices of Capital Markets Advisors, LLC, telephone number (716) 662-3910.

TOWN OF EVANS
ERIE COUNTY, NEW YORK

/s/ Mary Hosler
Mary Hosler
Town Supervisor

Dated: May 3, 2018

PROPOSAL FOR NOTES

Ms. Mary Hosler
Town Supervisor
Town of Evans
c/o Capital Markets Advisors, LLC
4211 N. Buffalo Road, Suite 19
Orchard Park, NY 14127

May 15, 2018

TELEPHONE: (716) 662-3910

FACSIMILE: (716) 662-6684

TOWN OF EVANS
ERIE COUNTY, NEW YORK

\$1,032,000 BOND ANTICIPATION NOTES, 2018
[the "Notes"]

DATED: May 23, 2018

MATURITY: May 23, 2019

<i>Principal Amount*</i>	<i>Interest Rate</i>	<i>Premium</i>	<i>Net Interest Cost</i>
\$ 1,032,000	%	\$	%

Signature: _____

Full Name of Bidder: _____

Address of Bidder: _____

Telephone Contact of Bidder (Include Area Code): _____

Facsimile Contact of Bidder (Include Area Code): _____

Email Address of Bidder: _____

- Please select one of the following:
- _____ Registered in Name of Bidder
 - _____ Book-Entry/DTC
 - _____ Bearer Note

Please check one of the following**:

- We are purchasing the Notes for our own account and not with a view to distribution or resale to the public (as defined in the Notice of Sale).
- In the event the Competitive Sale Requirements are not met, we hereby elect to:
 - Hold the Price
 - Follow the Price

**In accordance with the Notice of Sale, unless we would be purchasing the Notes for our own account, by submitting this bid we are representing that we have an established industry reputation for underwriting new issuances of municipal bonds and notes.