

Annual Town Meeting Minutes Town of Mount Desert

May 1 & 2, 2017

**Somesville Fire House
1157 Main Street, Somesville, Maine**

And

**Kelley Auditorium, Mount Desert Elementary School
8 Joy Road, Northeast Harbor, Maine**

Town Clerk Claire Woolfolk called the meeting to order at fifty minutes past seven o'clock in the forenoon, May 1, 2017. Printed copies of the Warrant and Town Report were made available.

Article 1. To elect a Moderator by written ballot.

Town Clerk Woolfolk called for nominations of moderator. By motion and second William Ferm was nominated to serve as Moderator. A written vote was conducted, five votes were cast for Mr. Ferm and he was duly declared Moderator. Town Clerk Woolfolk swore in Mr. Ferm as Moderator. Moderator Ferm appointed and swore in Nin Ferm as Deputy Moderator.

Moderator Ferm declared the polls open at eight o'clock in the forenoon. Voting on Article 2 took place until eight o'clock in the evening, at which time Moderator Ferm declared the polls closed. Votes cast were counted, and Moderator Ferm announced the results at thirty-five minutes after ten o'clock in the evening.

At forty-five minutes after ten o'clock in the evening it was moved and seconded to recess and reconvene the meeting at 6:00 p.m., Tuesday, May 2, 2017. A vote was called and the motion passed.

On Tuesday, May 2, 2017 following a wonderful community supper provided by Neighborhood House, Moderator Ferm reconvened the meeting at eight minutes after six o'clock in the evening.

Moderator Ferm asked for a moment of silence to honor friends and family who have passed over the past year and referred to page thirty-one in the annual report for a list of residents and David Rockefeller's recent passing.

Article 2. To elect two members to the Board of Selectmen for a term of three years, one member to the Board of Selectmen for a term of two years, one member to the Mount Desert Elementary School Board for a term of three years, one trustee to the Mount Desert Island Regional School District for a term of three years, and one trustee to the Mount Desert Island Regional School District for a term of two years.

Moderator Ferm explained that the offices for trustee to the Mount Desert Island Regional School District for a two-year term had no nominees, therefore was subject to write-in votes. There was no majority of write-in votes for the vacant School District seat and according to the Act creating the District, vacancies shall be temporarily filled by appointment by the municipal officers until a successor trustee is elected at the next annual Town Meeting. Moderator Ferm then announced the official results of Article 2:

For **Selectman**, two members for a term of three years each:

John B. Macauley	# votes: 176 - ELECTED
James F. Mooers	# votes: 179 - ELECTED

For **Selectman**, one member for a term of two years:

Wendy Littlefield	# votes: 161 - ELECTED
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For **School Board**, one member for a term of three years:

Charles G. Wray	# votes: 213 - ELECTED
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For **School District Trustee**, one member for a term of three years:

Heather D. Jones	# votes: 213 - ELECTED
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For **School District Trustee**, one member for a term of two years:

No Majority	# votes: 15 scattered write-in votes; one name each
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The newly elected officials were present, except Mr. Wray, and Town Clerk Woolfolk administered the oaths to those present.

Moderator Ferm described the use of the "blue" cards for hand-count voting and the format the meeting would follow, including items to be raffled. (Two lobster trap composters, two earth machine composters, one rain barrel, and one kitchen scrap pail were raffled during the written ballot count for Article 71 later in the meeting.)

Moderator Ferm also acknowledged Selectman Dennis Shubert who is leaving the Board and thanked him for his terms of service. He also thanked Gordon Beck for his willingness to serve as interim member of the Board of Selectmen until the election.

Moderator Ferm explained that warrant articles stating that "recommends" should be considered to mean "recommends passage" as the Town's *rite and/or right of passage*.

Article 3. To see if non-voters shall be allowed, when recognized, to speak during the 2017 Annual Town Meeting.

The Warrant Committee moved and seconded to pass Article 3.

A voice vote was called and Article 3 passed.

Article 4. To see if the Inhabitants of the Town of Mount Desert will vote to approve an expenditure of \$500 from the Animal Welfare Reserve Account #4040700-24204 to Acadia Veterinary Hospital as a donation for the benefit of the Town of Mount Desert Feral Cat Program.

The Warrant Committee moved and seconded to pass Article 4.
A voice vote was called and Article 4 passed.

Article 5. Shall an ordinance dated May 2, 2017 and entitled "Town of Mount Desert Alewife Ordinance" be enacted? The ordinance reads, in its entirety, "Regulations for the taking of alewives and blue back herring shall be as follows: For the year July 1, 2017 through June 30, 2018 there shall be no taking of Alewives and Blue Back Herring in the Town of Mount Desert."

The Warrant Committee moved and seconded to pass Article 5.
A voice vote was called and Article 5 passed.

Article 6. Shall an ordinance dated May 2, 2017 and entitled "Town of Mount Desert Harbor Ordinance" be enacted? **See Appendix A (warrant pgs.34-58)**

The Warrant Committee moved and seconded to pass Article 6.
A voice vote was called and Article 6 passed.

Article 7. Shall an ordinance entitled "May 2, 2017 Amendments to the Shellfish Conservation Ordinance of the Town of Mount Desert" be enacted as set forth below?

6. OPENING AND CLOSING FLATS

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It shall be unlawful for any person to harvest, take or possess shellfish from any areas closed by the town of Mount Desert in accordance with DMR Regulation, Chapter 7. Harvesting shellfish in a closed area is a violation of this municipality's ordinance and is punishable under MSRA Title 12 §6671.

Boundaries of conservation closures are explicitly defined in the conservation closure application submitted by the Town of Mount Desert to DMR and are part of the resulting permit issued by DMR. These permits are posted at the town office and online: <http://www.maine.gov/dmr/shellfish-sanitation-management/programs/municipal/ordinances/town info.html>.

The Warrant Committee moved and seconded to pass Article 7.
A voice vote was called and Article 7 passed.

Article 8. Shall an ordinance dated May 2, 2017 and entitled "Amendments to the Town of Mount Desert Sale of Food and Merchandise Ordinance Regarding the Size Limitations and the Sales Area for Mobile Vending Units" be enacted as follows?

Explanatory Note: This amendment increases the allowable length of a mobile vending unit and the area it can occupy.

Article V – Mobile Vending License

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Sec. 3. Conditions of Operation

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11. The Mobile Vendor sales area shall not exceed more than ~~two~~three (23) parking spaces or ~~approximately 350~~ up to 600 square feet in area.

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14. Size limitations: Mobile Vending Units must not exceed twelve (12) feet in width, including any side extensions or awnings. Mobile Vending Units parking in parking spaces on town-owned property must not exceed ~~twenty~~thirty (2030) feet in length, including the length of any trailer hitch, trailer, or other extension. Failure to adhere to these conditions of operation is cause for revocation or suspension

The Warrant Committee moved and seconded to pass Article 8.

Question asked and answered regarding the ordinance changes.

A voice vote was called; it was the opinion of the Moderator that the ayes prevailed, and Article 8 passed.

Article 9. Shall an ordinance dated May 2, 2017 and entitled “Amendments to the Land Use Zoning Ordinance to change the Land Use District designation of the following lots on Map 22: Lot 20, Lot 19, Lot 14, Lot 13, Lot 11, Lot 10, Lot 9” be enacted as set forth below?

Explanatory Note: This Article changes the designation of Map 22, Lots 20,19,14,13,11, 10, and 9 from Shoreland Residential 2 to Village Residential 2.

SECTION 3 LAND USE DISTRICTS

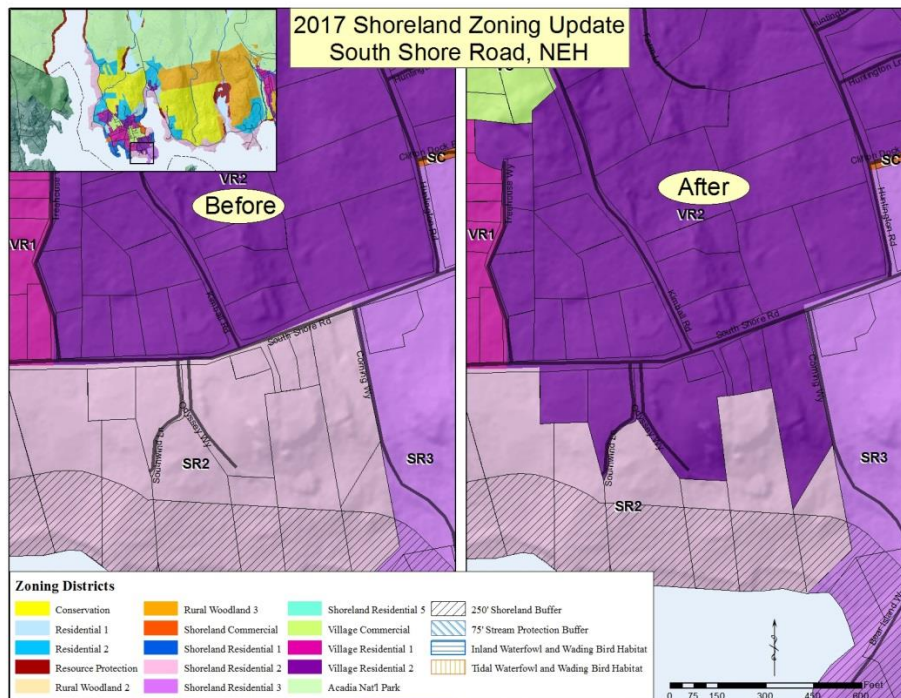
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3.3 Map Changes: Amended at:

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Town Meeting May 2, 2017 changed Tax Map 22, Lots 20, 19, 14, 13, 11, 10, and 9 from Shoreland Residential 2 to Village Residential 2.

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The Warrant Committee moved and seconded to pass Article 9.
A voice vote was called and Article 9 passed.

Article 10. Shall an ordinance dated May 2, 2017 and entitled “Amendments to the Land Use Zoning Ordinance to change the Land Use District designation of a portion of Map 12, Lot 6” be enacted as set forth below?

Explanatory Note: This Article removes the Shoreland Zone overlay and Resource Protection designation from a portion of Map 12, Lot 6 and adds an area of Stream Protection to match how the Maine Department of Environmental Protection views the manmade pond and stream in relation to State Mandated Shoreland Zoning.

SECTION 3 LAND USE DISTRICTS

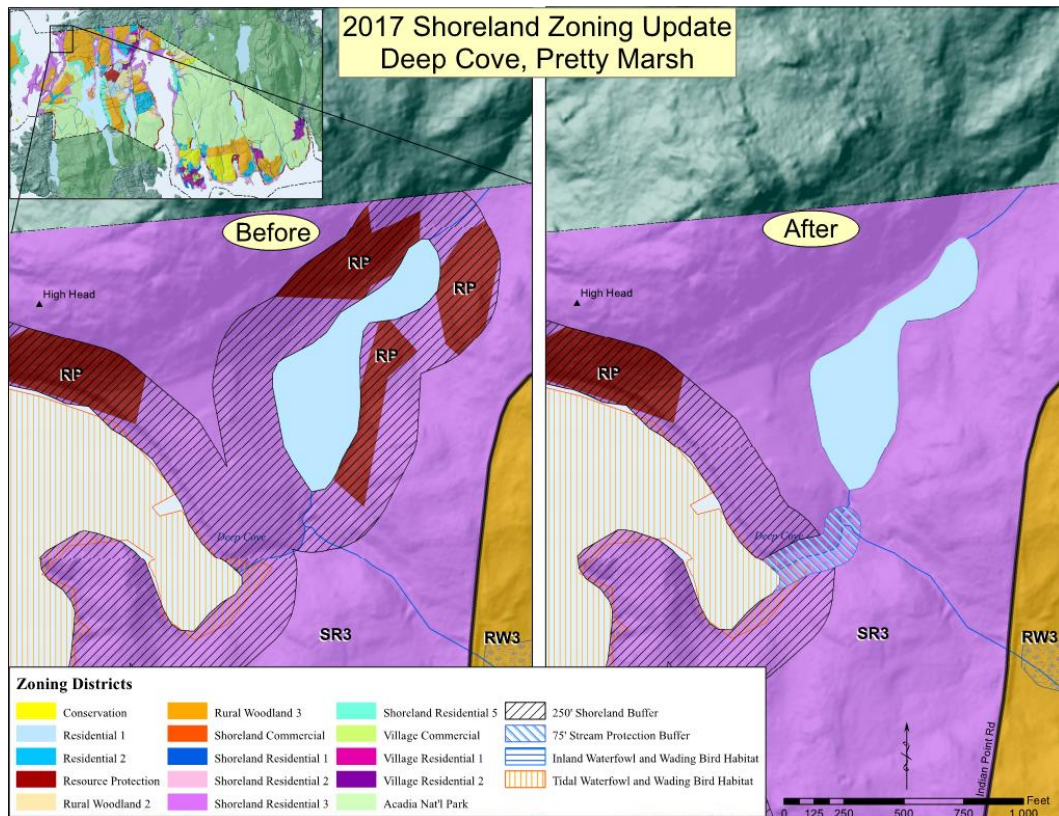
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3.3 Map Changes: Amended at:

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Town Meeting May 2, 2017 changed a portion of Tax Map 12, Lot 6 from Shoreland Zone Overlay and Resource Protection to Shoreland Residential 3 and Stream Protection.

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The Warrant Committee moved and seconded to pass Article 10.
A voice vote was called and Article 10 passed.

Article 11. Shall an ordinance dated May 2, 2017 and entitled “Amendments to the Land Use Zoning Ordinance Regarding Access to Lots” be enacted as set forth below?

Explanatory Note: This Article amends the access provisions of Section 6B.10 so that a pre-existing primary access drive need not meet the standards of 6B.6 so long as safe access for fire, police and emergency vehicles can be maintained.

SECTION 6 STANDARDS FOR USES, PERMITS AND APPROVALS

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6B.10 Lots

1. **Minimum lot size.** See section 3.5.
2. **Access.** No lot may be built upon or otherwise developed unless it has a private road or driveway for access to a public way by a valid right of way benefiting the lot (or a combination of a driveway and/or one or more private roads) or by ownership of land abutting the public way ~~(or a combination)~~. If more than 2 lots are accessed by the same private road, then it must meet the Street Design and Construction Standards of Section 5.14 of the Subdivision Ordinance. If no more than 2 lots are accessed by the same private road or driveway, then it must meet either the said Street Design and Construction Standards or the Driveway Construction standards of Section 6B.6 of this Ordinance. A

pre-existing primary access drive that serves up to 2 existing lots need not meet the requirements of Section 6B.6. All lots must ~~have~~maintain safe access for fire, police, and emergency vehicles, as determined by the Fire Chief.

The Warrant Committee moved and seconded to pass Article 11.
A voice vote was called and Article 11 passed.

Article 12. Shall an ordinance dated May 2, 2017 and entitled “Amendments to the Subdivision Ordinance of the Town of Mount Desert Regarding Road Standards Review” be enacted as set forth below?

Explanatory Note: This Article amends the Subdivision Ordinance to allow the Planning Board to review and waive road standards where the Board finds that a private road providing access to a lot or lots cannot meet the Street Design and Construction standards because (a) the application of land use restrictions would prevent the work required to bring an existing road into compliance or (b) physical conditions of the site render strict compliance impossible.

3. DEFINITIONS

3.1 Subdivision A subdivision shall mean the division of a tract or parcel of land as defined in Title 30-A M.R.S.A., Section 4401.4, as amended; but shall include lots of any size in all districts. The term subdivision shall also include such developments as mobile home parks, multiple family dwelling(s), shopping centers, condominiums, industrial parks and planned unit development, multi-unit and multi-building projects, commercial or residential whether for sale or lease, and which include 3 or more countable lots or units created within a 5 year period

3.1 1 Road Standard Review. When the development of a lot involves access over a private road that will serve more than 2 lots, such development may be submitted for approval as a Road Standard Review, provided that the development does not otherwise require approval as a Subdivision.

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4. PROCEDURES FOR SUBDIVISION REVIEW

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4.1.1 The subdivider shall present to the Board, for informal review and comment, a sketch plan of the proposed subdivision. The sketch plan shall consist of a rough outline of the proposed subdivision, and may be a freehand, penciled sketch of the parcel showing the proposed layout of streets, lots, and other features which may be of assistance to the Board in evaluating the proposal. If the proposed development is limited to a Road Standard Review, the Board may require the Applicant to provide any information the Board feels necessary to determine whether the private road to be used for access meets the requirements of the Street Design and Construction standards of Section 5.14 and/or whether any waiver of such requirements is appropriate. The Board may then make its determination and communicate its decision to the Code Enforcement Officer. No further proceedings or action are necessary for a Road Standard Review under this Ordinance.

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6. WAIVER AND MODIFICATIONS OF THIS ORDINANCE

6.1 Where the Board finds that there are special circumstances of topography, seasonal or similar limited uses, regarding traffic access and safety, neighborhood aesthetics or environmental concerns, or that extraordinary hardships may result from strict compliance, the Board may waive provisions of this ordinance provided that such waiver does not have the effect of nullifying the purpose of this Ordinance, the Comprehensive Plan, or the Land Use Zoning Ordinance of the Town.

6.1.1 Where the Board finds that a private road providing access to a lot or lots cannot meet the Street Design and Construction standards of Section 5.14 because (a) the application of land use restrictions would prevent the work required to bring an existing road into compliance or (b) physical conditions of the site render strict compliance impossible, then the Board may waive such standards. However, in all such cases, the Board must find that (a) the proposed plan brings the road into compliance as much as is feasible, (b) the proposed plan will provide safe access to and from the property, and (c) the proposed plan will allow for access to the site for emergency vehicles.

The Warrant Committee moved and seconded to pass Article 12.
A voice vote was called and Article 12 passed.

Article 13. Shall an ordinance dated May 2, 2017 and entitled "Amendments to the Land Use Zoning Ordinance Regarding Requirements for Lots" be enacted as set forth below?

Explanatory Note: This Article amends the Section 6B.10 to clarify that a lot that is totally outside the Shoreland Zone is allowed to have an accessory residential dwelling unit.

SECTION 6 STANDARDS FOR USES, PERMITS AND APPROVALS

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6B.10 Lots

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3. Requirements for ~~non-shoreland~~ lots wholly outside the Shoreland Zone

1. **Lots abutting more than one road.** Lots which abut more than one road shall have the required setbacks along each road used as an entrance or exit.
2. **Additional one-family or two-family dwellings.** One-family and two-family dwellings are allowed in all districts, as indicated in Section 3.4. For each additional one-family or two-family dwelling on a lot, all dimensional requirements shall be met separately for each one-family or two-family dwelling.

EXCEPTION:

For any existing or new lot that is wholly outside the shoreland zone, One accessory residential dwelling unit is allowed without an increase in the minimum lot size requirement. Accessory residential dwelling units are incidental and subordinate to the principal use or structure and may be no more than 75 percent of the living area of the primary dwelling unit. The accessory residential dwelling shall meet town and state standards for wastewater disposal and the lot on which the accessory residential dwelling is located shall conform to current minimum lot size standards.

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4. Requirements for Lots Wholly or Partially within the Shoreland Zone
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4. **Multiple structures.** If more than one residential dwelling unit, principal governmental, institutional, commercial or industrial structure or use, or combination thereof, is constructed or established on a single parcel that is wholly or partially within the shoreland zone, all dimensional requirements shall be met for each additional dwelling unit, principal structure, or use.

The Warrant Committee moved and seconded to pass Article 13.
A voice vote was called and Article 13 passed.

Article 14. Shall an ordinance dated May 2, 2017 and entitled "Amendments to the Land Use Zoning Ordinance Regarding the Definition of Independent Schools" be enacted as set forth below?

Explanatory Note: This Article amends the definition of Independent School.

SECTION 8 DEFINITIONS

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INDEPENDENT SCHOOL: A non-profit entity or institution offering academic curriculum for Pre-Kindergarten to and including 12th grade in building(s) with an aggregate footprint not to exceed a total of 5,000 square feet. ~~grades k-8 as an alternative to traditional public schools. Independent Schools also offer non-academic activities related to life on the coast in the immediate neighborhood and Mount Desert Island generally, and serve as a community center.~~

The Warrant Committee moved and seconded to pass Article 14.
A voice vote was called and Article 14 passed.

At this time, Moderator Ferm turned the meeting over to Town Manager, Durlin Lunt Jr. who announced that the Town of Mount Desert is participating in The Spirit of America Foundation Tribute this year. Mr. Lunt explained that this is an award presented in the name of Maine municipalities to local individuals, organizations and projects for commendable community service. The first recipients for the Town of Mount Desert are Buddy and Becky Brown. A plaque for this honor was presented by to the Browns.

Article 15. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen to accept Conditional Gifts (MRSA 30-A, §5654), Unconditional Gifts (MRSA 30-A §5655), equipment, proceeds from sale of fire equipment or funds on behalf of the Municipal Fire Department. It is understood that any funds received will be placed in the Fire Equipment Reserve Fund.

The Warrant Committee moved and seconded to pass Article 15.
A voice vote was called and Article 15 passed.

Article 16. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen to lease a portion of the so-called Visitor Center at the Northeast Harbor Marina to the Ticket Booth operators for a term of one (1) year beginning July 1, 2017 under such terms and conditions as the Board of Selectmen, in its sole discretion, deems to be in the best interests of the Town.

The Warrant Committee moved and seconded to pass Article 16.
A voice vote was called and Article 16 passed.

Article 17. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen, to lease a portion of the so-called Visitor Center at the Northeast Harbor Marina to the Mount Desert Chamber of Commerce for a term of one (1) year beginning July 1, 2017 under such terms and conditions as the Board of Selectmen, in its sole discretion, deems to be in the best interests of the Town.

The Warrant Committee moved and seconded to pass Article 17.
A voice vote was called and Article 17 passed.

Article 18. To see if the Inhabitants of the Town of Mount Desert will authorize the Board of Selectmen, to negotiate and enter into an agreement with the Neighborhood House Club, Inc. for management and maintenance of the municipal swimming pool, under such terms and conditions as the Board of Selectmen, in its sole discretion, deems to be in the best interests of the Town.

The Warrant Committee moved and seconded to pass Article 18.
A voice vote was called and Article 18 passed.

Article 19. To see if the Inhabitants of the Town of Mount Desert will authorize the Board of Selectmen to sell a 1992 International/Central States pumper fire truck, under such terms and conditions as the Board of Selectmen, in their sole discretion, deem to be in the best interests of the Town.

The Warrant Committee moved and seconded to pass Article 19.
A voice vote was called and Article 19 passed.

Article 20. To see if the Inhabitants of the Town of Mount Desert will authorize the Board of Selectmen to sell a 1995 International/Metalfab pumper fire truck, under such terms and conditions as the Board of Selectmen, in their sole discretion, deem to be in the best interests of the Town.

The Warrant Committee moved and seconded to pass Article 20.
A voice vote was called and Article 20 passed.

Article 21. To see if the Inhabitants of the Town of Mount Desert will vote to authorize and direct the Board of Selectmen or its duly authorized designee or designees as a representative of the Town to:

1. Exercise the "Put Option" described in the Sixth Amended and Restated Agreement of Limited Partnership of Penobscot Energy Recovery Company, Limited Partnership; and
2. Execute and deliver on behalf of the Town such documents, and to take such further actions, as the Board of Selectmen or said designee(s) may deem necessary or appropriate in order to exercise the

above-described Put Option and to assign the Town's limited partnership interests to Penobscot Energy Recovery Company, Limited Partnership as contemplated thereby.

Explanatory Note: PERC and the MRC have reached a settlement that resolves issues related to the end of their business relationship in 2018. As part of the settlement, PERC and the MRC have defined together a process by which municipalities having ownership interests in the PERC Partnership, known as Equity Charter Municipalities of which we are one, have an option (the Put Option) to sell those interests back to PERC at a known price and through a defined process. This article authorizes and directs the Board of Selectmen to exercise a Put Option described in the Sixth Amended and Restated Agreement of Limited Partnership of Penobscot Energy Recovery Company, Limited Partnership (the "PERC Partnership Agreement"). By exercising this Put Option, the Town is electing to require that the Penobscot Energy Recover Company, Limited Partnership ("PERC") repurchase the Town's limited partnership interest in PERC on the terms described in Section 9.3 of the PERC Partnership Agreement in exchange for a cash payment equal to the Town's proportionate share of One Million Five Hundred Thousand Dollars (\$1,500,000), which represents the agreed upon aggregate value of all limited partnership interests held by the Town and other similarly situated municipal members of the Municipal Review Committee. (See Public Works Annual Report; May 2017 Town Meeting Warrant Articles; A. for more information.)

The Warrant Committee moved and seconded to pass Article 21.
A voice vote was called and Article 21 passed.

Article 22. To see if the Inhabitants of the Town of Mount Desert will vote to transfer to Island Housing Trust, by good and sufficient Municipal Quitclaim Deed Without Covenants, two contiguous lots owned by the Town of Mount Desert (Assessor's Map 009, Lot 078 and Map 009, Lot 079 and further described in deeds recorded in the Hancock Registry of Deeds at Book 1276, Page 162 and Book 1524, Page 318, respectively), on the conditions that (1) the property be used to provide workforce housing, (2) the two lots be conveyed by the Town in a deed to create merger of the two lots into a single "lot" for purposes of the Town's Land Use Zoning Ordinance, (3) any costs incurred by the Town for the transfer (including title search, survey, and deed preparation) are to be paid for by Island Housing Trust, and (4) that any proceeds, net of loan payoffs, tax payments, attorneys' fees and other customary real estate settlement costs and proration that Island Housing Trust receives from the sale of the improved lot(s) will be used for future workforce housing projects located within the Town of Mount Desert.

The Warrant Committee moved and seconded to pass Article 22.
Questions asked and answered regarding the location of the property.
A voice vote was called and Article 22 passed at \$150,000.

Motion to take Article 74 out of order was moved and seconded.
Discussion was followed by a voice vote. It was the opinion of the Moderator that the nays prevailed, and the motion failed.

Article 23. Shall the Town of Mount Desert (a) grant a possessory license in a final form approved by the Town's Attorney to ReVision Energy ("ReVision") to use portions of the Town's municipal garage located at 307 Sargeant Drive in Northeast Harbor, and (b) authorize the Board of Selectmen to execute a Power Purchase Agreement, (the Agreement) with ReVision, substantially in the form of the Agreement attached as Appendix C and in a final form approved by the Town Attorney, with ReVision Energy ("ReVision") by which (1) ReVision would furnish, install and maintain all materials, equipment, labor and technical services necessary to construct and house a functional solar power array and associated equipment (the "Array") on a portion of the Town's municipal garage roof and inside the garage, located at 307 Sargeant Drive, at no capital or operations and maintenance cost to the Town for at least six (6) years from the date when the Array is operational, (2) the Town would purchase the power generated by the Array from ReVision at rates comparable with local market rates, and (3) six years from the date when the Array is operational, the Town would have the option to either purchase the Array from ReVision at a negotiated cost mutually acceptable to ReVision and the Town, or to not

purchase the Array and instead continue to purchase the power generated by the Array at rates comparable with local market rates; and further to authorize the Board of Selectmen to do any and all things necessary or convenient to enter into the License and implement the terms of the Agreement.” See Appendix B (warrant pgs. 59-92)

The Warrant Committee moved and seconded to pass Article 23.
Questions were asked and answered.
A voice vote was called and Article 23 passed.

Article 24. Shall the Town of Mount Desert be authorized to enter into an agreement with the Maine Department of Transportation (the Agreement), a copy of which is included herein in Appendix C.1, in conformance with their Municipal Project Initiative program, for technical and construction services related to improvements of State Route 198 beginning approximately 0.85 miles southerly of Sargeant Drive (northerly of the Parkman Mountain parking area) then proceeding in a northerly direction approximately 1.10 miles on Route 198 ending at or near the Giant Slide Trailhead, said beginning and ending points shown on the attached project site map included herein in Appendix C.2; with said improvements to be completed in 2017 - 2018 and in accordance with the Agreement including, but not necessarily being limited to, reclaiming (grinding and leaving in place) the existing pavement, grading and compacting these materials, construction of new base and surface pavement layers on the reclaimed materials, construction of five-foot wide extended shoulder on each side of the road, drainage improvements and other typical roadway improvements associated with projects of this kind, and further to authorize the Board of Selectmen to execute any and all contracts and documents and do any and all things necessary or convenient to enter into this agreement with the Maine Department of Transportation. **See Appendix C.1 (warrant pgs. 93-96) and C.2 (warrant pg. 97)**

NOTE: Funding for this article follows in Article 25

The Warrant Committee moved and seconded to pass Article 24.
Questions asked and answered.
A voice vote was called; it was the opinion of the Moderator that the ayes prevailed, and Article 24 passed.

Article 25. Shall the Town of Mount Desert be authorized to issue a general obligation bond to the Town in a principal amount not to exceed \$500,000.00 (five hundred thousand dollars) to fund the Town’s 50%-50% cost share for construction of roadway improvements to Route 198 in accordance with the agreement with the Maine Department of Transportation described in Article 24 above; and further to authorize the Board of Selectmen to execute any and all contracts and documents and do any and all things necessary or convenient to issue the bonds or notes of the Town, which may be callable, and to accomplish the project.

FINANCIAL STATEMENT - TOWN OF MOUNT DESERT

1. Total Town Indebtedness

A.	Bonds outstanding and unpaid:	\$16,041,520.63
B.	Bonds authorized and unissued:	\$ 0.00
C.	Bonds to be issued under this Town Meeting Article	<u>\$ 500,000.00</u>
	TOTAL	\$16,541,520.63

2. Costs

At an estimated interest rate of 2.84% for a term of 10 years, the estimated costs of this bond issue will be:

Principal	\$ 500,000.00
Interest	<u>\$ 74,943.64</u>

Total Debt Service

\$ 574,943.64

3. Validity

The validity of the bonds is not 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 voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Kathryn A. Mahas

Treasurer, Town of Mount Desert, Maine

The Warrant Committee moved and seconded to pass Article 25.

A voice vote was called; it was the opinion of the Moderator that the ayes carried, and Article 25 passed.

Article 26. Shall the Town of Mount Desert be authorized to issue a general obligation bond to the Town in a principal amount not to exceed \$32,500.00 to supplement the "not to exceed amount of \$150,000.00" previously raised at the May 2016 Town meeting (Article 22) to fund the cost of professional technical and construction services associated with improvements to the Town's street lights with said improvements to include, but not necessarily being limited to, preparation of a lighting plan for the Town, removal of existing street lights and the subsequent installation of new dark-sky compliant LED street lights in general conformance with the aforementioned lighting plan; and further to authorize the Board of Selectmen to execute any and all contract and documents and do any and all things necessary or convenient to issue the bonds or notes of the Town, which may be callable, and to accomplish the project.

FINANCIAL STATEMENT - TOWN OF MOUNT DESERT

1. Total Town Indebtedness

A.	Bonds outstanding and unpaid:	\$16,041,520.63
B.	Bonds authorized and unissued:	\$ 0.00
C.	Bonds to be issued under this Town Meeting Article	\$ 32,500.00
	TOTAL	\$16,074,020.63

2. Costs

At an estimated interest rate of 2.84% for a term of 10 years, the estimated costs of this bond issue will be:

Principal	\$ 32,500.00
Interest	\$ 4,871.34
Total Debt Service	\$ 37,371.34

3. Validity

The validity of the bonds and 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 voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Kathryn A. Mahas

Treasurer, Town of Mount Desert, Maine

The Warrant Committee moved and seconded to pass Article 26.

Questions asked and answered.

A voice vote was called; it was the opinion of the Moderator that the ayes carried, and Article 26 passed.

Article 27. To see if the Inhabitants of the Town of Mount Desert will vote to:

- A. Authorize the Municipal Officers to advance the Streetscape Design Project detailed herein, through professional architectural and engineering planning and design services associated with proposed improvements to Main Street (the "Design Project"), with said design improvements to be in general conformance with those described in the report prepared by consultants to the town entitled "Northeast Harbor Village Center Plan - Final Report" dated December 19, 2016, further described in said report as Area 1A - Main Street; and
- B. Authorize the Town of Mount Desert (the Town) to issue general obligation bonds or notes of the Town in a principal amount not to exceed \$274,000.00 to finance professional architectural and engineering planning and design services associated with improvements to Main Street (the Design Project) located in the Village of Northeast Harbor to improve the appearance, functionality and vitality of the Main Street area beginning at or near the intersection of Main Street with Summit Road then continuing in a southerly direction along Main Street ending at or near the intersection of Main Street with Neighborhood Road, with said design improvements to be in general conformance with those described in the report prepared by consultants to the town entitled "Northeast Harbor Village Center Plan - Final Report" dated December 19, 2016, further described in said report as Area 1A - Main Street to include, but not necessarily being limited to, improved sidewalks, grading, drainage, roadway, utilities, including burying the overhead utility wires, plantings, lighting and other amenities and appurtenances required to complete the improvements, and further to authorize the Board of Selectmen to execute all things necessary or convenient to issue the bonds or notes of the Town, which may be callable, and to accomplish the Design Project, with the funding of any Streetscape Construction Project being the subject of a future vote of the Town Meeting

FINANCIAL STATEMENT - TOWN OF MOUNT DESERT

1. Total Town Indebtedness

A.	Bonds outstanding and unpaid:	\$16,041,520.63
B.	Bonds authorized and unissued:	\$ 0.00
C.	Bonds to be issued under this Town Meeting Article	<u>\$ 274,000.00</u>
	TOTAL	\$16,315,520.63

2. Costs

At an estimated interest rate of 2.84% for a term of 10 years, the estimated costs of this bond issue will be:

Principal	\$ 274,000.00
Interest	<u>\$ 41,069.11</u>
Total Debt Service	\$ 315,069.11

3. Validity

The validity of the bonds and 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 voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Kathryn A. Mahas

Treasurer, Town of Mount Desert, Maine

The Warrant Committee moved and seconded to pass Article 27.

Questions asked and answered.

A voice vote was called; it was the opinion of the Moderator that the ayes carried, and Article 27 passed.

Article 28. To see if the Inhabitants of the Town of Mount Desert will vote to:

- A. Authorize the Municipal Officers to enter into a contract with Charter Communications or its designated affiliate to advance a Broadband Project developed and recommended by the Broadband Committee and the James W Sewall Company that would provide access to High Speed Broadband Internet service, including cable television and telephone service, to properties in the Town along the following roads in the Pretty Marsh and Somesville areas of Mount Desert (Bartlett Landing Road, Blanchard Road, Brendun Lane, Cedar Pond Road, Cliffs Way, Eagle Ridge Lane, Fiddlehead Lane, Golden Road, Grace Point Lane, Gray Farm Road, Indian Point Road, Ingersoll Way, Mill Cove Road, Narrows Road, Northern Neck Road, Oak Hill Road, Oak Ridge Road, Ober Mill Road, One Lane Road, Parker Farm Road, Pasture Farm Way, Pepper Point Road, Pirates Cove Lane, Ridgewood Lane, Summer Haven Way, TC North, Tern II Lane, Whitney Farm Road, Woods Road, Sound Drive, Pretty Marsh Road) by means of 23 miles of combined fiber optic and coaxial cable passing 325 potential customers at a cost to the Town not to exceed \$350,000?
- B. Authorize the Town of Mount Desert (the Town) to issue general obligation bonds or notes of the Town in a principal amount not to exceed \$350,000 (the Town's share of the \$700,000 cost of the Broadband Project), and further to authorize the Board of Selectmen to execute any and all contracts and documents and do any and all things necessary or convenient to issue the bonds or notes of the Town, which may be callable, and to accomplish the project? **See Appendix D (warrant pgs. 101-103)**

FINANCIAL STATEMENT - TOWN OF MOUNT DESERT

1. Total Town Indebtedness

A.	Bonds outstanding and unpaid:	\$16,041,520.63
B.	Bonds authorized and unissued:	\$ 0.00
C.	Bonds to be issued under this Town Meeting Article	\$ 350,000.00
	TOTAL	\$16,391,520.63

2. Costs

At an estimated interest rate of 2.84% for a term of 10 years, the estimated costs of this bond issue will be:

Principal	\$ 350,000.00
Interest	\$ 52,460.55
Total Debt Service	\$ 402,460.55

3. Validity

The validity of the bonds is not 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 voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Kathryn A. Mahan

Treasurer, Town of Mount Desert, Maine

The Warrant Committee moved and seconded to pass Article 28.

Questions asked and answered.

A voice vote was called; it was the opinion of the Moderator that the ayes carried, and Article 28 passed.

Article 29. Shall the Town of Mount Desert be authorized to issue a general obligation bond to the Town in a principal amount not to exceed \$33,500.00 to fund the completion of the Otter Creek Landing Reconstruction Project located off Grover Avenue in the Village of Otter Creek (the "Project"), said appropriation to supplement (a) the \$14,500.00 remaining of the original \$45,000.00 previously raised at the May 2015 Town Meeting (Article 27) to fund the Project and (b) \$4,000.00 in grant monies the Town has received from the State of Maine Department of Conservation, Forestry and Agriculture to fund the Project, said Project completion to include the construction of a new bulkhead made of stacked blocks of stone, concrete, gravel and associated materials and appurtenances, to supplement the already-completed portion of the Project, which included replacing ledge pieces that had served as the boat ramp with new precast concrete planks; and further to authorize the Board of Selectmen to execute any and all contracts and documents and do any and all things necessary or convenient to issue the bonds or notes of the Town, which may be callable, and to accomplish the project.

FINANCIAL STATEMENT - TOWN OF MOUNT DESERT

1. Total Town Indebtedness

A.	Bonds outstanding and unpaid:	\$16,041,520.63
B.	Bonds authorized and unissued:	\$ 0.00
C.	Bonds to be issued under this Town Meeting Article	<u>\$ 33,500.00</u>
	TOTAL	\$16,075,020.63

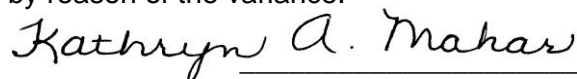
2. Costs

At an estimated interest rate of 2.84% for a term of 10 years, the estimated costs of this bond issue will be:

Principal	\$ 33,500.00
Interest	<u>\$ 5,021.22</u>
Total Debt Service	\$ 38,521.22

3. Validity

The validity of the bonds is not 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 voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.



Treasurer, Town of Mount Desert, Maine

The Warrant Committee moved and seconded to pass Article 29.

A voice vote was called and Article 29 passed.

Motion to take Article 75, Citizen's Petition, out of order was moved and seconded.

A voice vote was called and was indeterminate.

The Moderator called for a hand-count vote to be conducted and the motion failed with 35 Ayes and 107 Nays.

Article 30. To see if the Inhabitants of the Town of Mount Desert will vote to:

- A. authorize the Board of Selectmen to modify the Town's participation in the Maine Public Employees Retirement System ("MePERS") by permitting Town public safety employees, specifically police, fire and harbor masters, to move from the MePERS plan AC to special Plan 2C effective July 1, 2017 (herein the "Plan Modification"), and to make such elections and execute such documents required

for the transition upon such terms and conditions as the Board of Selectmen deem proper; and to authorize payment of any unfunded liability from those elections; and

- B. authorize the Town to issue a general obligation bond to the Town (OR amortize with the Maine State Retirement System) in a principal amount not to exceed \$103,119.00 (one hundred, three thousand, one hundred and nineteen dollars) to finance the Plan Modification and to further authorize the Board of Selectmen to execute any and all contracts and documents and do any and all things necessary or convenient to issue the bonds or notes of the Town, which may be callable, (OR amortize with Maine State Retirement System),and to accomplish the Plan Modification.

FINANCIAL STATEMENT - TOWN OF MOUNT DESERT

1. Total Town Indebtedness

A.	Bonds outstanding and unpaid:	\$16,041,520.63
B.	Bonds authorized and unissued:	\$ 0.00
C.	Bonds to be issued under this Town Meeting Article	<u>\$ 103,119.00</u>
	TOTAL	\$16,144,639.63

2. Costs

At an estimated interest rate of 2.84% for a term of 10 years, the estimated costs of this bond issue will be:

Principal	\$ 103,119.00
Interest	<u>\$ 15,456.23</u>
Total Debt Service	\$ 118,575.23

3. Validity

The validity of the bonds is not affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issue (or Amortization) varies from the estimate, the ratification by the voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Kathryn A. Mahas

Treasurer, Town of Mount Desert, Maine

The Warrant Committee moved and seconded to pass Article 30.
A voice vote was called and Article 30 passed.

Article 31. Shall the Town of Mount Desert (the Town) be authorized to issue a general obligation bond of the Town in a principal amount not to exceed \$20,000 (twenty thousand dollars) to fund the Town's twenty percent (20%) share of the total project cost of \$100,000 (one hundred thousand dollars) under the Federal Highway Administration Eastern Federal Lands Access Program (FLAP) and/or any other State of Maine and/or Federal funding source in order to retain professional services for planning and technical study related to roadway improvements, including but not limited to, bicycle safety improvements, to State Route 3 (Peabody Drive), between the intersection of State Routes 198 and 3 (Pedder's Corner) in the Village of Northeast Harbor and the intersection of the Stanley Brook Road and State Route 3 in the Village of Seal Harbor; and further to authorize the Board of Selectmen to execute any and all contracts and documents and do any and all things necessary or convenient to issue the bonds or notes of the Town and to accomplish the project?

FINANCIAL STATEMENT - TOWN OF MOUNT DESERT

1. Total Town Indebtedness

A.	Bonds outstanding and unpaid:	\$16,041,520.63
B.	Bonds authorized and unissued:	\$ 0.00
C.	Bonds to be issued under this Town Meeting Article	<u>\$ 20,000.00</u>

TOTAL \$16,061,520.63

2. Costs

At an estimated interest rate of 2.84% for a term of 10 years, the estimated costs of this bond issue will be:

Principal	\$ 20,000.00
Interest	<u>\$ 2,997.75</u>
Total Debt Service	\$ 22,997.75

3. Validity

The validity of the bonds is not affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issue (or Amortization) varies from the estimate, the ratification by the voters is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Kathryn A. Mahan

Treasurer, Town of Mount Desert, Maine

The Warrant Committee moved and seconded to pass Article 31.

Questions asked and answered.

A voice vote was called and Article 31 passed.

Article 32. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen to accept and expend on behalf of the Town additional state, federal and other funds (including unconditional gifts of money) received during the fiscal year 2017-2018 for Town purposes, provided that such additional funds do not require expenditure of local funds not previously appropriated.

The Warrant Committee moved and seconded to pass Article 32.

A voice vote was called and Article 32 passed.

Article 33. To see if the Inhabitants of the Town of Mount Desert will vote to approve July 1, each year, as the date on which all taxes shall be due and payable providing that all unpaid taxes on September 1, of each year, shall be charged interest at an annual rate of 7% (percent) per year. (*Tax Club members are exempt within the terms and conditions of the Town's Tax Club Agreement.*)

The Warrant Committee moved and seconded to pass Article 33.

A voice vote was called and Article 33 passed.

Article 34. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Tax Collector to enter into a standard "tax club" agreement with taxpayers whereby: (1) the taxpayer agrees to pay specified monthly payments to the Town based on the taxpayer's estimated and actual tax obligation for current year property taxes (real estate and/or personal); (2) the Town agrees to waive interest on timely payments; (3) the Town authorizes the Tax Collector to accept payment of taxes prior to commitment of taxes; (4) the agreement automatically terminates if two consecutive payments are missed and the taxpayer thereupon becomes subject to the same due date and interest rate as other, nonparticipating taxpayers; (5) only taxpayers who are current on their property tax obligations may participate; and (6) interested taxpayers shall apply annually for participation by the date shown on the application, date and application format to be determined by the Tax Collector.

The Warrant Committee moved and seconded to pass Article 34.

A voice vote was called and Article 34 passed.

Article 35. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Tax Collector to accept pre-payment of property taxes, with no interest to be paid on same.

The Warrant Committee moved and seconded to pass Article 35.
A voice vote was called and Article 35 passed.

Article 36. To see if the Inhabitants of the Town of Mount Desert will vote to set the interest rate to be paid by the Town for abated taxes that have been paid at the rate of 3% (percent) per year.

The Warrant Committee moved and seconded to pass Article 36.
A voice vote was called and Article 36 passed.

Article 37. To see if the inhabitants of the Town of Mount Desert will vote to authorize expenditures to pay any tax abatements granted by the Assessor or Board of Assessment Review, together with any interest due thereon from the Town, during the fiscal year beginning July 1, 2017, in an aggregate amount not to exceed the property tax commitment overlay.

The Warrant Committee moved and seconded to pass Article 37.
A voice vote was called and Article 37 passed.

Article 38. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen to dispose by public bid of Town-owned property, other than real property, with a value of ten thousand dollars (\$10,000.00) or less under such terms and conditions as it deems advisable.

The Warrant Committee moved and seconded to pass Article 38.
A voice vote was called and Article 38 passed.

Article 39. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen to sell at public auction or by advertised sealed bid, and to convey titles obtained under tax deeds and under deeds of conveyance to the Inhabitants of the Town any land and/or buildings, including trailers, in lieu of payment of taxes except that the Selectmen have the power to authorize redemption.

The Warrant Committee moved and seconded to pass Article 39.
A voice vote was called and Article 39 passed.

Article 40. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen to contract for services, in amounts not to exceed appropriation for same, under such terms and conditions as it deems advisable.

The Warrant Committee moved and seconded to pass Article 40.
A voice vote was called and Article 40 passed.

Article 41. To see if the Inhabitants of the Town of Mount Desert will vote to transfer three hundred thousand dollars (\$300,000.00) from the Undesignated Fund Balance Account #100-38300 to reduce the 2017

– 2018 tax commitment.

The Warrant Committee moved and seconded to amend Article 41 to transfer \$400,000.00 from the Undesignated Fund Balance Account #100-38300 to reduce the 2017 – 2018 tax commitment. Moderator Fern explained that this is allowed because it is not adding to appropriations but rather reducing the tax commitment. Treasurer Mahar addressed citizen questions. A voice vote was called; it was the opinion of the Moderator that the ayes prevailed, and Article 41 passed at the amended amount of \$400,000.00.

Article 42. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and/or appropriate as Revenue through Excise Taxes, Service Fees and miscellaneous sources for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 42 at \$1,160,770.00.
A voice vote was called and Article 42 passed at \$1,160,770.00.

Article 43. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1220 and 1221 General Government – Legislative (Board of Selectmen), Municipal Management, Town Clerk, Registrar, Elections, Planning Board, Finance, Treasurer, Tax Collector, Assessment, Code Enforcement, Unallocated Funds, Human Resources, and Technology for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 43 at \$1,339,743.00
A voice vote was called and Article 43 passed at \$1,339,743.00

Article 44. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1330 General Assistance for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 44 at \$5,000.00
A voice vote was called and Article 44 passed at \$5,000.00

Article 45. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1335 Rural Wastewater Support for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 45 at \$184,000.00
A voice vote was called and Article 45 passed at \$184,000.00

Article 46. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 14406 Street Lights for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 46 at \$42,350.00
A voice vote was called and Article 46 passed at \$42,350.00

Article 47. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 14401 and 14408 Public Safety – Police and Communications (Dispatch) for the 2017 – 2018 Town Budget.

Police: \$794,085.00 **Communications:** \$317,294.00
Shellfish: \$2,615.00 **Animal Control:** \$1,553.00

The Warrant Committee moved and seconded to amend Article 47 to the amount from \$1,111,379.00 to \$1,115,547.00 (the amount that the Board of Selectmen recommends for passage).

Town Manager Lunt explained the difference in the recommended amounts was due to an oversight that budget items for Shellfish and Animal Control were not included in the budget presented to the Warrant Committee. The difference in the amounts is \$4,168.00.

A voice vote was called and the amendment to Article 47 passed.

The Warrant Committee moved and seconded to pass Article 47 at \$1,115,547.00.

A voice vote was called and Article 47 passed at \$1,115,547.00

Article 48. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 14403, 14404 and 14409 Public Safety – Fire Department, Hydrants, and Emergency Management for the 2017 – 2018 Town Budget.

Fire: \$528,663.00 **Hydrants:** \$273,500.00 **Emergency Management:** \$1,000.00

The Warrant Committee moved and seconded to pass Article 48 at \$803,163.00

Motion to amend the figure to \$793,163.00 made and seconded.

Questions asked and answered.

A voice vote was called and the motion to amend passed.

A voice vote was called and Article 48 passed at \$793,163.00.

Article 49. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 15501, 15515, 15520, 15525 and 15530 Public Works - Roads, Waste Management, Buildings & Grounds, Parks & Cemeteries, and Environmental Sustainability for the 2017 – 2018 Town Budget.

Roads: \$1,688,949.00 **Buildings/Grounds:** \$220,779.00
Parks/Cemeteries: \$40,506.00 **Waste Management:** \$588,705.00
Environmental Sustainability: \$17,500.00

The Warrant Committee moved and seconded to pass Article 49 at \$2,556,439.00

A voice vote was called and Article 49 passed at \$2,556,439.00

Article 50. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 15506 Sewers (Wastewater Treatment) for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 50 at \$927,958.00

A voice vote was called and Article 50 passed at \$927,958.00

Article 51. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1660 Recreation (Public Pool ~Utilities & Maintenance) for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 51 at \$5,700.00
A voice vote was called and Article 51 passed at \$5,700.00

Article 52. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1770 Economic/Community Development for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 52 at \$54,000.00
Questions asked and answered.
A voice vote was called and was considered indeterminate by the Moderator.
The Moderator called for a hand count vote and Article 52 passed at \$54,000.00 with 115 ayes and 21 nays.

Article 53. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1880 Debt Service for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 53 at \$1,334,229.00
A voice vote was called and Article 53 passed at \$1,334,229.00

Article 54. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1885 Libraries, Village Improvement Societies, Recreation, and Public/Social Service Agencies for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 54 at \$310,611.00
A voice vote was called and Article 54 passed at \$310,611.00

Article 55. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for Department 1999 Capital Improvement Plan transfers for the 2017 – 2018 Town Budget.

The Warrant Committee moved and seconded to pass Article 55 at \$566,226.00
A voice vote was called and Article 55 passed at \$566,226.00

Article 56. To see if the Inhabitants of the Town of Mount Desert will vote to increase the property tax levy limit by \$.00. See Appendix E (Warrant pgs. 101-103)

Explanatory Note: The State Legislature passed a "tax reform" law known as LD#1. This bill created a maximum municipal tax levy based upon this year's tax, plus an allowance for inflation and the Town's tax base growth due to new construction. However, LD#1 allows Mount Desert voters to increase that tax cap with the approval of a simple majority of the voters at Town Meeting. The only requirement is that a secret vote must be taken by written ballot.

The Warrant Committee moved and seconded to pass over Article 56.
A brief explanation was made that there was not an increase to the tax levy and therefore no vote was needed.
A voice vote was called and the motion to pass over Article 56 passed.

Article 57. To see if the Inhabitants of the Town of Mount Desert will vote to ratify the Board of Selectmen's approval of the Marina Proprietary Fund budget.

Revenue: \$667,923.00

Expense: \$667,923.00

The Warrant Committee moved and seconded to pass Article 57.
A voice vote was called and Article 57 passed.

Mount Desert Elementary School Appropriations

Note: Articles 58 through 68 authorize expenditures in cost center

Article 58. To see what sum the School Board will be authorized to expend for Regular Instruction for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$1,537,421.00

The Warrant Committee moved and seconded to pass Article 58 at \$1,611,607.00.
A voice vote was called and Article 58 passed at \$1,611,607.00.

Article 59. To see what sum the School Board will be authorized to expend for Special Education for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$665,347.00

The Warrant Committee moved and seconded to pass Article 59 at \$732,392.00.
A voice vote was called and Article 59 passed at \$732,392.00.

Article 60. To see what sum the School Board will be authorized to expend for Career and Technical Education for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$00.00

The Warrant Committee moved and seconded to pass Article 60 at \$-0-.
A voice vote was called; it was the opinion of the Moderator that the ayes prevailed, and Article 60 passed at \$-0-.

Article 61. To see what sum the School Board will be authorized to expend for Other Instruction for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$ 57,572.00

The Warrant Committee moved and seconded to pass Article 61 at \$61,764.00.
A voice vote was called and Article 61 passed at \$61,764.00.

Article 62. To see what sum the School Board will be authorized to expend for Student & Staff Support for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$380,641.00

The Warrant Committee moved and seconded to pass Article 62 at \$401,849.00
A voice vote was called and Article 62 passed at \$401,849.00.

Article 63. To see what sum the School Board will be authorized to expend for System Administration for the fiscal year July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$ 70,201.00

The Warrant Committee moved and seconded to pass Article 63 at \$77,071.00.
A voice vote was called and Article 63 passed at \$77,071.00.

Article 64. To see what sum the School Board will be authorized to expend for School Administration for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$234,510.00

The Warrant Committee moved and seconded to pass Article 64 at \$241,553.00.
A voice vote was called and Article 64 passed at \$241,553.00.

Article 65. To see what sum the School Board will be authorized to expend for Transportation & Buses for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$168,823.00

The Warrant Committee moved and seconded to pass Article 65 at \$177,356.00.
A voice vote was called on the main motion and Article 65 passed at \$177,356.00.

Article 66. To see what sum the School Board will be authorized to expend for Facilities Maintenance for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$ 411,686.00

The Warrant Committee moved and seconded to pass Article 66 at \$523,289.00.
A voice vote was called and Article 66 passed at \$523,289.00.

Article 67. To see what sum the School Board will be authorized to expend for Debt Service and Other Commitments for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$379,477.00

The Warrant Committee moved and seconded to pass Article 67 at \$363,950.00.
A voice vote was called and Article 67 passed at \$363,950.00.

Article 68. To see what sum the School Board will be authorized to expend for All Other Expenditures for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Note: 2016-17 Amount was \$ 55,000.00

The Warrant Committee moved and seconded to pass Article 68 at \$63,000.00.
A voice vote was called and Article 68 passed at \$63,000.00.

Note: Articles 58 – 68 authorize a total budget of \$4,253,831

Note: 2016-17 Amount was \$3,960,678

Note: Articles 69 – 71 raise funds for the Proposed School Budget

Article 69. To see what sum the voters of the Town of Mount Desert will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act (Recommend \$1,904,095.00) and to see what sum the voters of the Town of Mount Desert will raise as the Town's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688 for the period July 1, 2017 and ending June 30, 2018.

Explanatory Note: The Town of Mount Desert's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars.

Warrant Committee moved and seconded to pass Article 69 at \$1,727,671.00.

A hand count vote was conducted and Article 69 passed at \$1,727,671.00 with 151 Ayes and 0 Nays.

Article 70. To see what sum the voters of the Town of Mount Desert will raise and appropriate for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects, non-state funded portions of school construction projects and minor capital projects in addition to the funds appropriated as the local share of the Town of Mount Desert's contribution to the total cost of funding public education from kindergarten to grade 12 for the period July 1, 2017 and ending June 30, 2018.

Warrant Committee moved and seconded to pass Article 70 at \$363,950.00.

A hand count vote was conducted and Article 70 passed at \$363,950.00 with 149 Ayes and 0 Nays.

Explanatory Note: Non-state-funded debt service is the amount of money needed for the annual payments on the Town of Mount Desert's long-term debt for major capital school construction projects and minor capital renovation projects that are not approved for state subsidy. The bonding of this long-term debt was approved by the voters on November 6, 2001.

Article 71. To see what sum the voters of the Town of Mount Desert will raise and appropriate in additional local funds for school purposes (Recommend: \$1,698,528.00) for the period July 1, 2017 and ending June 30, 2018, which exceeds the State's Essential Programs and Services allocation model by (Recommend: \$1,661,035.00) as required to fund the budget recommended by the School Board.

The School Board recommends \$1,698,528.00 for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model by \$1,661,035.00: The State funding model underestimates the actual costs to fully fund the 2017 – 2018 budget.

The Warrant Committee recommends \$1,644,478.00 for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model by \$1,661,035.00: The State funding model underestimates the actual costs to fully fund the 2017 – 2018 budget.

Explanatory Note: The additional local funds are those locally raised funds over and above the Town of Mount Desert's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the Town of Mount Desert's budget for educational programs.

The Warrant Committee moved and seconded to amend their recommendation to \$1,698, 528.00 (misprint in the warrant).

A voice vote was called and the motion to amend passed.

The Warrant Committee moved and seconded to pass Article 71 at \$1,698, 528.00 for additional local funds and

gives the following reasons for exceeding the State's Essential Programs and Services funding model by \$1,661,035.00: The State funding model underestimates the actual costs to fully fund the 2016-2017 budget. A written ballot vote was conducted and Article 71 passed with 139 Ayes and 7 Nays.

Note: Articles 69, 70 & 71 raise a total town appropriation of \$3,790,149.00

Note: 2016-17 Total Town Appropriation was \$3,668,533.00

Note: Article 72 summarizes the proposed school budget and does not authorize any additional expenditures

Article 72. To see what sum the voters of the Town of Mount Desert will authorize the School Board to expend for the fiscal year beginning July 1, 2017 and ending June 30, 2018 from the Town's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools.

Note: 2016-17 Total Budget was \$3,960,678.00

Warrant Committee moved and seconded to pass Article 72 at \$4,253,831.00.

A hand count vote was conducted and Article 72 passed at \$4,253,831.00 with 150 Ayes and 2 Nays.

Article 73. In addition to the amount in Articles 58 – 72, shall the School Board be authorized to expend such other sums as may be received from state or federal grants or programs or other sources during the fiscal year 2017 – 2018 for school purposes provided that such grants, programs or other sources do not require the expenditure of other funds not previously appropriated?

Current Year Totals: \$102,602.00

The Warrant Committee moved and seconded to pass Article 73.

A voice vote was called and Article 73 passed.

Citizen's Petitions

Article 74. Shall the Mount Desert voters adopt a resolution declaring Mount Desert a sanctuary community?

Resolution declaring Mount Desert a sanctuary community:

Whereas Mount Desert is a community known for welcoming people of all races, religions, sexual orientations, and gender identities, and whereas its local economy is driven by this diversity, we formally declare ourselves a sanctuary community. As such we:

- protect the independence of our local law enforcement by refusing to require police or town employees to serve as enforcers of federal immigration law. This allows our police force to use its limited resources for the benefit of our community.
- ensure all visitors and residents of Mount Desert may live free of harassment or arrest by restricting town and law enforcement personnel from asking personal identity questions relating to country of origin, legal

residence status, gender identity, race, religion, or sexual orientation unless this information is required in the investigation of a serious/violent crime or recorded anonymously for federal and/or state crime and/or civil rights statistics.

- guarantee that law enforcement officials shall not detain an individual solely on the basis of a civil immigration detainer.
- promote public trust and cooperation that keeps our community safe by ensuring all residents, regardless of immigration status, feel comfortable contacting the police or fire departments during emergencies and public safety situations.
- foster trust and respect between residents of Mount Desert, the municipal government, law enforcement personnel, seasonal workers, and visitors by posting this resolution prominently in our community and encouraging a similar resolution at the county level.

Board of Selectmen makes no recommendation
Warrant Committee makes no recommendation

The Warrant Committee moved and seconded to pass Article 74.

Motion to call for a written ballot was made and seconded.

A voice vote was called and the call for a written ballot passed.

A lengthy debate ensued.

Motion to table Article 74 was made but was ruled out of order by Moderator Ferm.

A written ballot vote was conducted and Article 74 passed with 101 Ayes and 59 Nays.

Article 75. To see if the inhabitants of the Town of Mount Desert will vote to authorize the Board of Selectmen to support, assist and work in conjunction with the Revitalization Committee of the Otter Creek Aid society and their request that Acadia National Park honor its original foundation principles intended by the incorporators of the 1903 formation of the "Hancock County Trustees of Public Reservations" which was: the power "to acquire hold and maintain and improve for free public use lands in Hancock County which by reason of scenic beauty, historical interest, sanitary advantage or for other reasons may be available for the purpose."

The Warrant Committee moved and seconded to pass Article 75.

Motion to call for a written ballot was made and seconded.

A hand count vote was conducted, and the call for a written ballot failed with 22 Ayes and 94 Nays.

Questions asked and answered.

A voice vote was called; it was the opinion of the Moderator that the ayes carried, and Article 75 passed.

Moderator Ferm thanked the Warrant Committee and School Board for their work with this Warrant and for the motions; he went on to thank the Town Clerk, Board of Selectmen, and Department Heads for their hard work and contributions; he thanked the voters and public for their attendance.

At 11:07 p.m. Moderator Ferm made his favorite motion – to adjourn the meeting, there was a second, and the motion passed by voice vote.

Appendices

Appendix A (Article 6; warrant pg. 4)

TOWN OF MOUNT DESERT HARBOR ORDINANCE

This ordinance, as enacted at the May 2, 2017 Annual Town Meeting, repeals the Harbor Management Ordinance as amended through March 8, 2000.

Ratified at the March 3, 2003 Annual Town Meeting
Amended March 3, 2003 Annual Town Meeting
Amended March 6, 2007 Annual Town Meeting

AND the

TOWN OF MOUNT DESERT NORTHEAST HARBOR COMMERCIAL FLOAT REGULATIONS

Adopted March 20, 2006

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APPENDIX	A - Map of Town of Mount Desert
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ARTICLE I – DEFINITIONS

All words not herein shall carry their customary and usual meaning. Words used in the present tense shall include the future. Words in the singular shall include the plural and vice versa. The word “shall” is used to include the mandatory and the word “may” is used to indicate the permissive.

Anchorage - An area of the harbor set aside for permanent moorings or for the temporary anchoring of boats and vessels.

Berth - A place where a boat lies when at anchor or at a wharf.

Boat - A vessel for transport by water constructed to provide buoyancy by excluding water and shaped to give stability and permit propulsion.

Bona Fide Boat - A vessel of appropriate size for the mooring assigned.

Breakwater - A permanent solid structure of rock, stone, or combinations thereof, extending from the shoreline into the waters, for the principal purposes of breaking and reducing the force of waves.

Bulkhead - A permanent solid structure or wall built along the shore to retain and protect the upland from wave action and sea erosion.

Channel - Areas of the harbor kept open for navigation or other purposes, by rule or regulation of the Town of Mount Desert, the Department of the Army Corps of Engineers, or other regulatory or legislative body.

Commercial Fisherman - One whose vessel is commercially registered and makes his or her primary livelihood from harvesting from the ocean.

Commercial Mooring - Any mooring used to hold boats or floats awaiting service from a marine related business or used on a permanent basis to hold boats or floats belonging to a marine related business provided such boats or floats are actively used for specific activities related to their business.

Commercial Vessel - Any vessel used or engaged for any type of commercial venture, including but not limited to, fishing, the carrying of cargo and/or passengers for hire, push-boats, tugs and barges.

Deputy Harbor Master - An official appointed by the Selectboard and employed by the Town of Mount Desert to enforce the provisions of this Ordinance and certain duties and responsibilities as prescribed by Title 38 of the Maine Revised Statutes and the Harbor Master.

Dinghy - A dinghy shall mean any powered (with 25 hp or less) or un-powered punt, skiff, tender or the like fourteen feet in length or less.

Dock - The slip or waterway extending between two piers or projecting wharves or cut into the land for the reception of vessels.

Float - A floating structure which is anchored, moored or secured at or near the shore, used for landing, transfer of passengers or goods, or other purpose.

"Full Harbor" - Is one so declared by the Selectboard on the report of the Harbor Master and the Harbor Committee, that the harbor and/or facilities will not support any additional moorings, and that a waiting list must therefore be established.

Harbor - An area or areas as defined in Article VI.

Harbor Master - An official appointed by the Selectboard and employed by the Town of Mount Desert, to enforce the provisions of this ordinance and certain duties and responsibilities as prescribed by Title 38 of the Maine Revised Statutes.

House Boats - Any vessel intended primarily or substantially to be anchored or moored in one or a small number of locations for overnight or longer accommodations, rather than navigation.

Landing - A place for landing or discharging persons or things from a vessel.

Litter- All waste materials including, but not limited to, bottles, glass, crockery, cans, scrap metal, junk, paper, garbage, rubbish, offal, fishing gear, automobiles or parts of automobiles, packages or containers.

Marina - A dock or basin providing dockage for small vessels.

Mooring - An appliance, used by a vessel, for anchoring purposes, providing a permanent, adequate means of securing a vessel to the bottom in an anchorage, and which cannot be carried aboard such vessel, when such vessel is underway, as regular equipment.

Personal Property - All tangible goods and chattels wheresoever they are, and all vessels, at home or abroad.

Pier - A platform type structure contiguous with the shoreline and built there from over the water, supported by piles and used for the berthing, loading and unloading of vessels.

Resident - Any person who owns property in the Town of Mount Desert, or any person who rents property with their boat registered in town and the excise tax paid in town.

Seaworthy Vessel - A vessel in a fit state for travel or movement without extraordinary efforts or assistance provided to affect such travel or movement.

Stray Vessel - An abandoned vessel, a vessel the owner of which is unknown, or a vessel underway without a competent person in command.

Tidal Waters - Bodies of water within a state's territorial waters, subject to the ebb and flow of ordinary tides, whether navigable or not, including, but not limited to, harbors, coves, sounds, channels, inlets, estuaries, and rivers.

To Anchor - To secure a vessel to the bottom within a designated area by dropping an anchor or anchors or other ground tackle.

Town – The Town of Mount Desert.

Vessel - Vessel shall include boats of all sizes propelled by said machinery or hand, scows, dredges, shellfish cars, and craft of any kind.

Wharf - A structure of timber, masonry, cement, earth or other material, built along the shore of a harbor extending from the shoreline, so that vessels may lie close alongside to receive and discharge passengers and cargo.

ARTICLE II – APPLICABILITY, AUTHORITY, & GENERAL PROVISIONS

2.1 - Title of Ordinance

This Ordinance shall be known as and may be cited as the "The Town of Mount Desert Harbor Ordinance."

2.2 - Authority of Ordinance

This Ordinance is adopted under the authority granted in Titles 12, 17, 30-A and 38 of the Maine Revised Statutes, as may be amended.

2.3 - Purpose of the Ordinance

The purpose of this Ordinance is to provide for the just and orderly operation and regulation of marine activities on and within the harbors and all other tidal waters of the Town of Mount Desert, Maine in order to insure safety to persons and property, to promote availability and use of a valuable public resource, and to create a fair and efficient framework for the administration of that resource.

This Ordinance revokes and replaces the previous Town of Mount Desert Marine Management Ordinance and its associated regulations.

2.4 - Effective date of the Ordinance

This Ordinance shall become effective upon adoption by the legislative body and shall, in compliance with section 5.3 of Town of Mount Desert Charter, remain in effect for a period of fifteen (15) years from the effective date.

2.5 - Conflicts with other Ordinances

Whenever a provision of this Ordinance conflicts with or is inconsistent with another provision of this Ordinance or of any other ordinance, regulation, or statute, the provision imposing the greater restriction shall control.

2.6 - Applicability of the Ordinance

The provisions of this Ordinance shall govern all marine activities on, within, and abutting all harbors and all other tidal waters of the Town of Mount Desert.

2.7 - Validity and Severability

Should any section or part of a section or any provision of this Ordinance be declared by the courts to be unconstitutional or invalid, such declaration shall not affect the validity of this Ordinance as a whole or any part thereof other than the part so declared to be unconstitutional or invalid.

ARTICLE III – POWERS, DUTIES, & ROLE OF THE HARBOR MASTER

3.1 - Appointment

The Harbor Master shall be recommended by the Harbor Committee, nominated by the Town Manager, and shall be appointed by the Selectboard.

The Deputy Harbor Master shall be hired in accordance with Town policy of hiring personnel.

3.2 – General Duties & Responsibilities

Certain duties, responsibilities, and authority of this office are prescribed by Titles 12, 17, and 38 of the Maine

Revised Statutes, as may be amended: by the Town of Mount Desert's Personnel Policy; and by this Ordinance. The Harbor Master shall administer and enforce the provisions of this Ordinance with the authority granted by law, and through his or her appointment as a Constable of the Town of Mount Desert, and the provisions of all rules, regulations, ordinances and other laws, which are lawfully promulgated that are within the Harbor Master's responsibility.

The duties of the Harbor Master and Deputy Harbor Master shall include, but are not limited to, the following:

- i. Promote order in the harbor and on the tidal waters of the Town of Mount Desert and assure safety and use for the general public.
- ii. Regulate placement of moorings according to the approved mooring plan for each harbor and this Ordinance.
- iii. Provide copies of all rules, regulations, ordinances and other laws which pertain to the harbors, their use, and to vessels within the tidal waters of the Town of Mount Desert, and to make copies available to those persons using the harbors and tidal waters.
- iv. Inspect moorings, docks, floats, piers, and wharves, from time to time, as his or her judgment may dictate, in the tidal waters of the Town of Mount Desert, give notice to the owner of such structures that have fallen into a state of disrepair or which may create a dangerous condition or may interfere with safe passage.
- v. Oversee the Town's waterfront facilities, including, but not be limited to, moorings, floats, docks, ramps, channels, breakwaters, and adjacent municipal property, excluding parking lots.

3.3 - Enforcement Powers

It shall be the duty of the Harbor Master, or his or her designees, to enforce the provisions of this Ordinance. If the Harbor Master, or his or her designees, shall find that any provision of this Ordinance, or any rule or regulation promulgated pursuant to its authority, is being violated, the Harbor Master shall notify the person responsible for such violation, either verbally, or in writing, indicating the nature of the violation and ordering the necessary action to correct it. If in writing, notice is effective three business days after mailing to the person's last known address. A copy of written notices shall be maintained as a permanent record.

When the above action does not result in the correction or abatement of the violation or nuisance condition, the Selectboard, upon notice from the Harbor Master, or his or her Deputy, may initiate legal proceedings, which may include seeking injunctions, imposing fines or any other action deemed necessary to enforce the provisions of this Ordinance in the name of the Town of Mount Desert. In any such action in which the Town prevails, it shall be awarded attorney's fees, court costs and any other relief to which it may be entitled, including under the authority of 30-A MRS § 4452, as may be amended from time to time.

3.4 - Legal Authority of Harbor Master

The Harbor Master and Deputy Harbor Master may have the authority to carry a weapon and make arrests so long as he or she has: (1) successfully completed the appropriate course at the Maine Criminal Justice Academy, (2) received local training from the Mount Desert Chief of Police, and (3) received authorization by vote of the Selectboard. Any law enforcement officer vested with the authority to carry a weapon and make arrests, specifically including police officers of the Town of Mount Desert, shall have the authority to enforce the provisions of this Ordinance when authorized by the Town's Police Chief, or upon specific request from the Harbor Master or Town Manager of the Town of Mount Desert.

– Compliance and Interference with Harbor Master & Deputy Harbor Master

No person shall refuse to obey any lawful order of the Harbor Master (or any Deputy) with reference to the operation, navigation, movement, relocation or disposal of any vessel owned or occupied by said person within the tidal waters of the Town of Mount Desert.

No person shall assault, intimidate or in any manner willfully obstruct, intimidate or hinder the Harbor Master (or any Deputy) in the lawful performance of his or her duties.

ARTICLE IV – APPEALS FROM HARBOR MASTER DECISIONS

4.1 – Appeals

Any and all persons aggrieved directly or indirectly by a decision, order, rule or act, or the failure to act of the Harbor Master may appeal said decision, order, rule, act, or failure to act. Such appeal must be in writing, directed to the Harbor Committee, and filed within 10 days of said decision, order, rule, act, or the failure to act. The appeal must state with specificity, the decision, order, rule, act, or failure to act, and state the reasons for appeal. The Harbor Committee, will review the Harbor Master's decision, order, rule or act, or failure to act *de novo*, and, upon hearing the appeal on its own record, the Harbor Committee may affirm, modify or set aside the decision, order, rule, act, or failure to act, only if such is not supported by any facts, or is clearly contrary to the intent and specific provisions of this Ordinance.

Any and all persons aggrieved directly or indirectly by a decision, order, rule or act, or failure to act of the Harbor Committee may appeal said decision, order, rule, act or failure to act. Such appeal must be in writing, directed to the Selectboard, and filed within ten days. The Selectboard, upon hearing the appeal, may affirm, modify or set aside the decision, order, rule, act, or failure to act, only if such is not supported by any facts, or is clearly contrary to the intent and specific provisions of this Ordinance; such appeal shall be a *purely appellate* review of both the record established by and the decision of the Harbor Committee.

An appeal from the decision of the Selectboard may be taken by the aggrieved party or parties to the Maine Superior Court, in accordance with the Maine Rules of Civil Procedure.

ARTICLE V – APPOINTMENT & DUTIES OF THE HARBOR COMMITTEE

5.1 - Appointment

The Harbor Committee shall consist of not less than seven (7) voting members nominated by the Town Manager and confirmed by the Selectboard. Members shall be appointed for two-year terms, and may be reappointed. Harbor Committee members shall be residents of the Town of Mount Desert and shall represent diverse interests in the harbors and tidal waters (including but not limited to, commercial boat owners, recreational boat owners, abutting land and business owners, or members of Town boards or committees). Town employees who are not residents may serve as non-voting members of the Committee if their position provides special skills and knowledge beneficial to the Committee.

5.2 - Duties & Responsibilities

The duties and responsibilities of the Harbor Committee shall be to oversee the Town tidal waters and harbors and report to the Selectboard as follows:

- i. To advise as to the custody, care and management of the Town tidal waters and harbors and their facilities.
- ii. To recommend policy for Town tidal waters and harbors.

- iii. To recommend rules and regulations for Town tidal waters and use of the harbors.
- iv. To make recommendations on the construction of piers, wharves, breakwaters, marine railways, or bulkheads within the tidal waters and harbors of the Town.
- v. To propose fees and operational budgets.
- vi. To develop short and long range marine management plans.
- vii. To review the qualifications and make recommendations to the Town Manager of persons seeking employment as Harbor Master.

5.3 - Meetings

The chairperson, vice chairperson, or the Harbor Master may call meetings of the Harbor Committee. The Committee shall meet monthly, except in the months of July and August, when no meeting is required. The chairperson, vice chairperson, or the Harbor Master may call special meetings of the Harbor Committee if determined necessary.

5.4 - Quorum

A majority of the voting members appointed to the Harbor Committee shall constitute a quorum.

5.5 - Vote

The Harbor Committee decisions will be made by vote of a majority of the members present and voting.

5.6 - Chairperson, Vice Chairperson & Secretary

A Chairperson and Vice Chairperson of the Harbor Committee shall be elected by the membership. A Secretary shall be elected and shall keep a record of all proceedings and provide them to the Selectboard in a timely manner.

ARTICLE VI – ESTABLISHMENT OF HARBOR BOUNDARIES & AREAS

6.1 - Purpose

The purpose of this article is to define the boundaries, tidal waters, harbors, and channels within these harbors of the Town of Mount Desert. For a detailed map, please see Appendix A and B.

6.2 - Northeast Harbor: Harbor Limits

For the purpose of this Ordinance, the harbor limits for Northeast Harbor shall be: The southeast sector of the harbor limit as defined by a line starting Latitude 44 17 266 N, Longitude 068 16 774 W (Burden dock), extending on a magnetic bearing of 053 degrees to Latitude 44 17 450 N, Longitude 068 16 592 W until it intersects the opposite shore; and in the other sectors of this harbor the limits are the mean high water except in the Southwest Sector where the harbor includes the concrete piers, the bulkheads, launching ramp and the immediately adjacent Town owned land, buildings and appurtenances.

6.3 - Seal Harbor: Harbor Limits

For the purpose of this Ordinance, the harbor limits for Seal Harbor shall be: a line from Latitude 44 17 383 N, Longitude 068 14 505 W (the southernmost tip of Thrum Cap) on a magnetic bearing of 111 degrees to Latitude 44 17 277 N, Longitude 068 14 111 W (East Point), and shall extend in a northerly direction as defined by mean high water, including the town owned pier and launching ramp.

6.4 - Somesville: Harbor Limits

For the purposes of this Ordinance, the harbor limits for Somesville shall be: a line from Latitude 44 21 279 N, Longitude 068 19 383 W (the southernmost tip of Bar Island) on a magnetic bearing of 281 degrees to Latitude 44 21 269 N, Longitude 068 19 502 W, and shall extend in a northerly direction as defined by mean high water.

6.5 - Bartlett's Landing: Harbor Limits

For the purposes of this Ordinance, the harbor limits for Bartlett's Landing shall be: a line starting at Latitude 44 21 22 N, Longitude 068 24 35 W, to Latitude 44 20 53 N, Longitude 068 25 07 W (Ledges Point) to Latitude 44 19 56 N, Longitude 068 25 25 W (the northernmost point of Johns Island), to Latitude 44 19 40 N, Longitude 068 24 31 W, to include all tidal waters in an easterly direction as defined by mean high water, to include all town owned property, including the launching ramp.

ARTICLE VII – MOORINGS: ASSIGNMENT, STANDARDS, SPECIFICATIONS, AND WAITING LIST

7.1 - Purpose

The purpose of this article is to set forth the provisions for the safe and orderly placement, use, type and administration of all moorings and mooring spaces within the tidal waters of the Town of Mount Desert, and to ensure safety to persons and property.

7.2 - Responsible Authority

The Harbor Master shall have authority over all moorings and mooring locations in accordance with the provisions of this Ordinance, the laws of the State of Maine, and applicable Federal regulations. Mooring areas outside of harbors may be designated by the Harbor Master.

7.3 - Placement of Moorings

No person shall place a mooring or mooring buoy in the tidal waters of the Town of Mount Desert except with the express permission and written approval of the Harbor Master or his or her Deputy. The Harbor Master shall specify the minimum size, type and scope of the mooring and the maximum size and type of boat moored thereon, whether for the initial placement or relocation of the mooring. Only approved mooring inspectors, or the Harbor Master, are authorized to place moorings. This includes both moorings inside and outside of the harbors of Mount Desert.

The owner of the mooring shall ensure that each mooring is in safe condition and proper location, and meets the requirements of this Ordinance prior to its placement. The Harbor Master or his or her Deputy may inspect the condition and location of each mooring prior to and after its placement. Moorings shall conform to the approved minimum mooring specifications and mooring plan set out in this Ordinance.

7.4 - Mooring Application Procedure

Any vessel owner desiring mooring space for a new mooring – when space may be available either inside or outside the harbors of Mount Desert – shall submit an application to the Harbor Master on a form provided for

the purpose. Upon receipt of an application, the Harbor Master may approve the application, put the applicant on a waiting list, deny the application, or request the applicant submit additional information, or refer the application to other Town boards or commissions for comment and information. Additional documentation requested may relate to any matter bearing on the promotion of order, safety, and use for the general public in the tidal waters and harbors of the Town of Mount Desert.

The Harbor Master may deny any application the approval of which he or she determines would detract from the order in the tidal waters or harbors, or which would jeopardize the safety and use of the tidal waters and harbors of the general public. The Harbor Master's decision on any application shall be made within thirty days of receipt of the application or additional information. The Harbor Master's decision may be appealed pursuant to the procedure set out in this Ordinance.

7.5 - Mooring Registration and Permit

All moorings shall be registered annually, prior to March 1st, with the Harbor Master, and a permit shall be obtained from the Harbor Master. All moorings not registered by April 15th each year shall be removed by the owner, and the mooring privilege shall be revoked. Moorings located outside the harbors of the Town of Mount Desert existing as of the effective date of this Ordinance do not need to register with the Harbor Master. All new moorings placed outside the harbors of the Town of Mount Desert after the effective date of this Ordinance must register annually with the Harbor Master in compliance with this provision.

When the owner of an unregistered or unsafe mooring cannot be located, identified or refuses to remove his or her mooring, or replace it with one of a different character (when so directed by the Harbor Master), the Harbor Master shall cause the entire mooring to be removed or the ball removed and the chain dropped to the bottom or shall make such change in the character of the mooring as required, and collect from the master or owner (of that boat or vessel) the total cost, but not less than the sum of \$100, for any of those services rendered and the necessary expenses.

Before removing a mooring or a buoy, the Harbor Master shall notify the master or owner, if the master or owner can be determined, by registered mail at his or her last known address, of the action desired, the fact that the mooring will be removed, and the fine. If the matter is not settled to the Harbor Master's satisfaction within two (2) weeks, the Harbor Master may take the actions provided for in this Ordinance.

All moorings shall be assigned a number within a series that indicates the maximum size vessel that may use the mooring. The number shall be prominently displayed on the mooring in contrasting shades, at two inches minimum height. The Harbor Master shall assign the number and it shall be the owner's responsibility to apply and maintain the number.

- i. **Floats and Lobster Cars** - All floats (commercial and private) and lobster cars must be registered with the Harbor Master's office and shall have a mooring on each end that meets the minimum mooring specification in this Ordinance. The float or lobster car will be assigned a number and display to be placed on each end. When necessary, all floats and lobster cars will be permitted by the United States Army Corps of Engineers and have a copy of that permit on file in the Harbor Master's office.
- ii. **House Boats** - Houseboats shall only be permitted to moor or anchor in areas where the Harbor Master determines their presence will not detract from the scenic, recreational, or environmental character of the local area. Additionally, vessels constructed or converted for use as houseboats shall be considered residential dwellings for purposes of complying with applicable provisions of the Town's zoning ordinance, building codes, and comprehensive plan.

7.6 - Mooring Priority: Harbors

Moorings in the harbors of the Town of Mount Desert shall be allocated according to the following priority guidelines:

- i. Existing mooring owner renewing the permit provided such owner shall presently own a boat or reasonably expects to own such within the existing registration period;
- ii. Town owned transient (rental) moorings (the number will be determined by the Selectboard);
- iii. Shorefront property owners, in front of their property immediately adjacent to frontage (if they own at least 100 feet of shore front property and the mooring fits into the mooring plan);
- iv. Existing mooring owner changing series;
- v. Resident commercial fishermen;
- vi. Resident commercial operators;
- vii. Resident pleasure craft;
- viii. Nonresident;
- ix. Application for more than one mooring;
- x. Houseboats

In all events, mooring priorities shall be consistent with allocations required under State and Federal law.

7.7 – Mooring Priority: Outside of Harbors

Moorings outside of the harbors of the Town of Mount Desert shall be allocated according to the following guidelines:

- i. Existing mooring owner renewing the permit provided such owner shall presently own a boat or reasonably expects to own such within the existing registration period;
- ii. Shorefront property owners, in front of their property immediately adjacent to frontage (if they own at least 100 feet of shore front property and the mooring fits into the mooring plan);
- iii. Existing mooring owner changing series;
- iv. Resident commercial fishermen;
- v. Resident commercial operators;
- vi. Resident pleasure craft;
- vii. Nonresident;
- viii. Application for more than one mooring;
- ix. Houseboats

In all events, mooring priorities shall be consistent with allocations required under State and Federal law.

7.8 - Waitlist

The Harbor Master shall maintain a list of all applicants who have not been assigned a mooring space for that year but want to remain eligible for future mooring space. To remain on the wait list, applicants must update their request in writing annually prior to April 1st and pay an annual application fee (fee schedules are set annually by the Selectboard). If an applicant refuses a mooring when offered one he or she may either choose to be dropped from the list or go to the bottom of the list. The wait list will be available for viewing at the Harbor Master's office during normal working hours.

7.9 - Registration transferrable

Mooring registrations are transferable, pursuant to 38 M.R.S. §§3 and 3-A in that a commercial fishing mooring may be transferred to a family member as defined in 38 M.R.S.A. §3-A, provided that the mooring assignment will continue to be used for commercial fishing purposes.

7.10 - Mooring Fees

The Selectboard, with the recommendation of the Harbor Master and Harbor Committee, shall annually set applicable mooring fees. The schedule of mooring fees will be maintained on file in the Harbor Master's office and/or posted to the Town's website. The Harbor Master may refuse to approve a mooring application, revoke a mooring approval, or refuse to allow the use of any moorings in the harbor or elsewhere in the Town for any person who has failed to pay applicable mooring fees.

7.11 - Mooring Rental

7.11.1 - Rental of Private Non-Commercial Moorings

Privately owned moorings, except those in Northeast Harbor, may be rented directly by their owners. The moorings shall conform, in all aspects, to the Town's specifications for moorings. Additionally, they shall have a permit from the US Army Corps of Engineers, with a copy on file with the Harbor Master's office. In Northeast Harbor, all mooring rentals except Clifton Dock (already ACOE permitted) shall be administered by the Harbor Master's office.

7.11.2 - Rental of Commercially Owned Moorings

Commercially owned moorings, except those in Northeast Harbor, may be rented directly by their owners. The moorings shall conform, in all aspects, to the Town's specifications for moorings. Additionally they shall have a permit from the US Army Corps of Engineers, with a copy on file with the Harbor Master's office. In Northeast Harbor, all mooring rentals except Clifton Dock (already ACOE permitted) shall be administered by the Harbor Master's office.

7.11.3 - One Boat – One Mooring Rule

As of September 30, 1998, all harbors in the Town of Mount Desert had been declared full (with grandfathered exceptions explained below). There shall be no more than one mooring allowed per each owned bona fide boat.

Persons or organizations engaged in commercial business, may continue to register moorings (commercial), for which they do not own boats, provided that, in the judgment of the Harbor Master and Harbor Committee, the number of mooring(s) is reasonable, and that there is adequate space.

Non-commercial mooring owners who presently own moorings in more than one harbor within the Town of Mount Desert, but do not own a bona fide boat for each mooring in each harbor, will be allowed to continue to register and maintain no more than one mooring per boat. The only case where more than one mooring per boat is permitted is if the moorings were owned prior to the effective date of this Ordinance, in which case an owner may have one mooring in two different harbors for one boat and would not be entitled to any other mooring for the boat specified.

7.11.4 - Use of Private Moorings

No person shall use the mooring of another without expressed permission of the owner, and the Harbor Master must be informed. The Harbor Master may use or rent a mooring with the owner's permission.

7.12 - Application Procedure for More Than One Mooring

Applications for more than one mooring per boat shall be considered by the Harbor Master and the Harbor Committee as the need may arise and as space may be available.

7.13 - Town Owned Rental Moorings

In Northeast Harbor, the Town shall own, operate and maintain two (2) classes of rental moorings. Class 1, consisting of at least 80 percent of available Town owned rental moorings, shall be classified as transient and shall not be occupied by the same boat for more than seven (7) successive nights unless the period is extended by the Harbor Master. Class 2, consisting of not more than 20 percent of the available Town owned rental moorings, may be rented for an extended period of time, as determined by the Harbor Master.

7.14 - Inspection of Moorings

The Harbor Master may inspect any mooring, its appurtenances, gear and tackle at any time.

The Harbor Master, in consultation with the Harbor Committee, shall develop and maintain a list of independent contractors possessing the knowledge, experience and equipment necessary to conduct a full, thorough and complete examination of moorings. Revision of the list shall be at the discretion of the Harbor Master after consulting with the Harbor Committee. The list shall be maintained in the office of the Harbor Master and shall be available for inspection during regular business hours. Only those persons who are on the list shall conduct mooring inspection and repair.

Each mooring in a harbor of the Town of Mount Desert must be inspected, by an approved inspector at least every three years, or more frequently at the Harbor Master's discretion, for its conformity with the minimum mooring standards currently in effect for the Town. Moorings not meeting the current mooring standards shall be brought into compliance immediately or before the mooring may be used again. All expenses for inspection or correction of defects or removal of the mooring shall be the responsibility of the mooring owner. Any mooring owner not in compliance with this section shall lose the privilege of having that mooring. It is recommended that moorings located outside of harbors be inspected every three years by an approved inspector.

The mooring owner or the inspector, on his or her behalf, shall furnish a complete report in writing, signed by the inspector, attesting to the date of the inspection, the name of the owner, the name of the inspector, the identity of the mooring and a statement of its condition. Any and all defects shall be noted and the date by which repairs or renovations will be effected. Moorings outside of harbors do not need to furnish a report.

7.15 - Designation of Mooring Spaces

The Harbor Master shall designate mooring spaces and shall maintain a mooring and traffic plan of the anchorage areas indicating location of moorings and size of boats for Northeast Harbor and Somesville. The Harbor Master shall review and update all mooring and traffic plans annually with the Harbor Committee. A copy of the all mooring plans shall be kept on file in the Harbor Master's office.

The Harbor Master shall annually assign the location for each mooring with the guidance of the mooring plans (as approved by the Harbor Committee) and ensure the mooring location is in accordance with the mooring plans. The Harbor Master, with approval of the Harbor Committee, may create mooring and traffic plans for other harbors or any other area in the tidal waters of Mount Desert as needed.

A mooring owner, at the direction of Harbor Master, shall move all moorings not located in the correct location. Upon failure of the mooring owner to comply with these provisions, the Harbor Master shall move or remove the improperly located moorings. The cost of moving or removal shall be borne by the owner of the mooring(s). If the mooring owner does not pay, the mooring gear may be sold by the Town after one (1) year.

7.16 - Designated Mooring and Anchorages within Designated Town Waters

Valley Cove has been designated as an anchorage area only. No moorings will be placed into the area bounded by 44 18 492 N, 068 19 085 W extending on a magnetic bearing of 085 degrees M to 44 18 687 N, 068 18 677 W, to 44 19 294N, 068 18 687 W, a bearing of 18 degrees magnetic, this intersects the high water shore line at Acadia Mountain. The westerly and northerly boundaries are the MHW along the shoreline, which is Acadia National Park.

Within the area defined above, no mooring of any type shall be placed other than those in position prior to July 2, 2002.

7.17 - Change of Use (Commercial or Private)

The Harbor Master shall be promptly notified of a proposed change of use (from private to commercial or commercial to private) of a mooring. Such change in use may only be instituted upon approval of such change by the Harbor Master. Use of a mooring is nontransferable except with the express written approval of the Harbor Master.

7.18 - Change of Location

All moorings shall be subject to change in location, at the owner's expense, when it is deemed by the Harbor Master to be in the best interests of the Town, the safety of the harbor or waterway, or required to comply with the provisions of this Ordinance.

7.19 - Full Harbors

All harbors within the Town of Mount Desert have been declared full harbors. Non-commercial mooring owners in a full harbor who do not have a bona fide boat for each registerable mooring must write a letter of intent, certifying that they will own a boat within one registration year, in order to maintain a mooring permit.

If a boat is not purchased and registered within that stated time, the owner's mooring privileges will be revoked for the mooring(s) without a bona fide boat, and they will not be permitted to apply for a new mooring until such time as they actually own a boat. All revocations will be done in writing by the Harbor Master.

The exception would be to allow mooring owners that have sold their boat, but have chartered a boat, for use of the mooring for a period of two (2) months during the registration period. The charter agreement must be provided to the Harbor Master prior to the mooring registration deadline. If the Harbor Master deems appropriate and the charter is valid the mooring may be maintained for that mooring registration period.

7.20 - Revocation

The Harbor Master may revoke the mooring approval of any person who fails to promptly correct any violation of the mooring plan or this Ordinance, after notice from the Harbor Master, or who refuses to obey any lawful order of the Harbor Master with reference to moorings. If notice is sent by mail, the notice is effective three business days after mailing.

7.21 - Minimum Mooring Specifications

100 series	Less than 20 feet
200 series	20 but Less than 30 feet
300 series	30 but Less than 40 feet
400 series	40 but Less than 50 feet
500 series	50 but Less than 60 feet
600 series	60 feet and over (as approved by Harbor Master)

The minimum specifications for all moorings in all harbors shall be specified in this Ordinance or subsequent regulations.

The specifications for all moorings outside of the harbors but within the tidal waters of the Town shall meet the minimum gear requirements of the harbors. In view of the fact that the locations outside the harbors are less protected than locations inside the harbor, the Harbor Master may require heavier gear and more scope to be safe.

7.22 – Setting and Maintaining Moorings

The following requirements shall govern the setting and maintaining of all moorings:

- i. Every mooring shall carry the number assigned to it at the time of registration.
- ii. Floating rope on any mooring is prohibited.
- iii. All moorings shall carry an approved float from May 15 to October 1. Poles may be used if the mooring is used year round. Seasonal pole use requires permission of the Harbor Master.
- iv. The diameter of the mushroom eye can be no less than the size of the required bottom chain.
- v. The rocks staple can be no less than 1 inch in diameter.

7.23 - Standards for Single Point Mooring Systems

The following shall be the minimum specifications for all new moorings, and replacement mooring parts, in all tidal waters of the Town of Mount Desert except as otherwise provided:

Boat Length	Mushroom	Rock Size	Bottom Top Chain	Nylon Chain	Size
Less than 20'	75 lb	500	1/2	1/2	1/2
20' but < 30'	200 lb	750	5/8	1/2	5/8
30' but < 40'	N/A	2,800	3/4	1/2	3/4
40' but < 50'	N/A	3,400	7/8	5/8	1.00
50' but < 60'	N/A	5,500	7/8	5/8	1.00
60' and over	N/A	6,000	1.00	5/8	1.00

7.24 - Standards for Two Point Mooring Float Systems

The following shall be the minimum specifications for all mooring floats not attached to shore in all tidal waters of the Town of Mount Desert except as otherwise provided:

Float Length	Max Float Width	Rock Size	Bottom Chain	Top Chain
10' but < 20'	6'	2000	W	W
20' but <30'	6'	2500	5/8"	W
30' but <40'	6'	4000	3/4"	W
40' but <50	6'	6000	1.0	5/8"
50' but <60'	6'	N/A	N/A	N/A
60' and over	6'	N/A	N/A	N/A

7.25 - Standards for Three Point Mooring Systems

The three (3) point mooring system for the 500 and 600 series shall consist of the following minimum gear size and diagram:

Boat Length Chain	Rock Size	Bottom	Top Chain	Nylon Size	Connecting Ring
50' but < 60'	3 @ 5,500 lbs	7/8	5/8	1.00	7/8
60' and over	3 @ 6,000 lbs	1.00	5/8	1.00	1.00

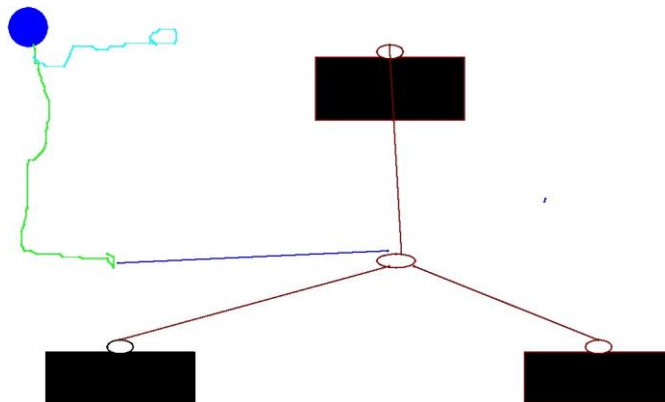


Figure 1. Three (3) Point Mooring System

7.26 – Scope of Mooring Systems

7.26.1 - Single Point Moorings and Two Point Mooring Floats

From May 15 to October 1, the mooring scope shall be equal to the depth of the water at mean low tide + 15 feet multiplied as indicated below, measured from the rock to the bow of the boat. From October 1 to May 15, pennants may be lengthened, provided such action does not interfere with nearby moorings.

Northeast Harbor and Somes Harbor: multiplied by 2

Otter Creek, Seal Harbor, and Bartlett's Landing: multiplied by 3

When setting two point moorings, the Harbor Master or Deputy Harbor Master shall be present.

7.26.2 - Three Point Moorings

From May 15 to October 1, the mooring scope shall be equal to the depth of the water at mean low tide + 15 feet multiplied as indicated below, measured from the ring to the bow of the boat. From October 1 to May 15, pennants may be lengthened, provided such action does not interfere with nearby moorings.

Northeast Harbor and Somes Harbor: multiplied by 2

Otter Creek, Seal Harbor, and Bartlett's Landing: multiplied by 3

When setting these three point moorings, the Harbor Master or Deputy Harbor Master shall be present.

7.26.3 - String Moorings

String moorings are permitted for boats less than 20 feet long with the permission of the Harbor Master.

The bottom chain shall be no less than 10 feet in length.

Maximum string length shall be no greater than 300 feet with a 2,000 lb rock at each end. Shorter string lengths may be used with no less than a 1,000 lb rock at each end.

When setting these string moorings, the Harbor Master or Deputy Harbor Master shall be present.

ARTICLE VIII—USE OF PUBLIC FLOATS, DOCKS, PIERS, AND RAMPS

8.1 - Use of Floats, Docks, Piers and Ramps: In General

No vessel may dock at a Town marina or be secured to a Town owned float in any harbor or in any tidal waters without first obtaining permission and a license from the Harbor Master. Any vessel docked in the marina or secured to a Town owned float without the Harbor Master's permission may be fined in accordance with Article X of this Ordinance, and removed at the vessel owner's expense and risk.

Use of any Town owned marine facility, where rent or license fees are collected, is not allowed unless all rent, fees, fines and taxes owed to the Town of Mount Desert pertaining to a vessel or mooring(s) are paid in full. Privately owned moorings rented through the Town or with the permission of the Harbor Master shall be considered part of the Town owned facility for this purpose. To avoid court action and or loss of harbor privileges, tickets must be paid within 30 days of date of issue.

Use of any Town owned marine facility, is not allowed unless all rent, fees, tickets, fines and taxes owed to the Town of Mount Desert pertaining to a vessel or mooring(s) are paid in full.

Piers, floats, docks and ramps shall be kept clear of small boats, traps, vehicles and other materials at all times. Owners of boats renting Town owned floats or slips shall keep the same clear of snow and ice.

A round trip fee of \$5.00 will be charged to non-residents for the use of the Northeast Harbor launching ramp.

8.2 - Licenses

Any reservation for use of a dock, float, slip, marina, wharf, or other Town facility for any period of time is issued as a license, which grants revocable permission to use the Town facility to the licensee. The license

does not grant any property interest to the licensee and is not transferable.

8.3 - Slip Reservations

Reservations will not be accepted prior to 1 January of each year for that summer season. All reservations must be re-confirmed prior to 10 days of the scheduled date of arrival.

Mariners are encouraged to make reservations as early as possible. Those who do not re-confirm will be dropped to the bottom of the waiting list for that day. Credit card numbers will be taken on all confirmed reservations. Any vessel not showing up for a confirmed reservation will be charged for any confirmed dates not filled by the office on his or her credit card.

If a vessel has a reservation and decides to depart early they will be charged for those dates not filled by the office. Check out time is 11:00 a.m. on the day of departure.

8.4 - Waiting List

When available, boats requesting a reservation will be recorded on a waiting list in the order in which the reservation is received.

At 9:30 a.m. and 2:30 p.m. each day, available dock space will be offered to those on the waiting list. Vessels on the waiting list for more than one day will be considered on a day-to-day basis.

Boats that are on the waiting list must confirm by 9:00 a. m. on the morning of their scheduled arrival and any day they are on the waiting list. Once a determination has been made if there is room for a vessel the vessels that can be confirmed into the marina will be called by VHF channel 9 or by telephone.

8.5 - Transient Vessels

Transient vessels may not remain in a slip for more than thirty (30) days. After thirty (30) days, vessels must remain out for fourteen (14) days unless space is available. Boaters with confirmed reservations may enter their designated slips after 12:00 PM (noon). Boaters who wish may enter vacant slips before noon and pay for one-third (1/3) of a day's slip charge for the slip occupied.

8.6 - Seasonal Slips

A confirmed seasonal slip renter will have a minimum reservation for at least forty-five (45) days during the periods of May 15 through September 30. Seasonal slip waitlist is maintained in the Harbor Master's office.

Seasonal slip licensees that are unable to use their slip for a season may keep their slip in future years if they pay for a period of 45 days. The slip will only be held for a period of one season.

Notification of absences from the slip by seasonal licensees is essential, as the Harbor Master may wish to license the space during the seasonal licensee's absence. Accordingly, a seasonal licensee shall inform the Harbor Master in writing of all periods when the slip will not be occupied overnight. Seasonal slip licensees may return before noon if so stated in writing on their departure.

8.7 - Fees

The Selectboard, with the recommendation of the Harbor Master and Harbor Committee, shall annually set applicable fees. The schedule of fees will be maintained on file in the Harbor Master's office and/or posted to the Town's website.

8.7.1 - Vessel Length

A vessel's length is considered to be its overall measured length and not its registered or documented length. Measurements are at the discretion of the Harbor Master whose decision will be final.

8.7.2 - Payment

Transient vessels shall pay, in advance, in U.S. currency. Travelers' or personal checks in U.S. currency will be accepted with two (2) forms of identification. Master Card and VISA are also accepted.

Payment of off-season slip fees shall be paid in advance. Payment is expected to the end of the month upon entering the slip, then on the first of the month thereafter.

8.8 - Northeast Harbor Regulations

8.8.1 – Generally

Due to parking limitations, dock space limitations, safety considerations, and the restrictive size of the present ticket booth facility at the Northeast Harbor Marina, the Selectboard shall consider any new commercial boat operations in the Town of Mount Desert subject to the policy outlined in this Ordinance.

Any vessel docked in the marina or secured to a Town owned float without the Harbor Master's permission may be fined in accordance with Article X of this Ordinance, and removed at the vessel owner's expense and risk.

All vessels moored at the Northeast Harbor Marina must be kept in a presentable condition at all times.

Charcoal grilling in the open within the Marina is prohibited.

8.8.2 - Maintenance Float

Before docking, vessels needing minor mechanical work or maintenance must obtain permission of the Harbor Master. No more than 2 vessels may use the float at one time. When work on vessels cannot be performed during one workday, such vessels may be moved at the Harbor Master's discretion. Vessels requiring major mechanical work or maintenance must make arrangements with the Harbor Master prior to commencing any work.

Users of the maintenance float are responsible for cleaning up so that the float is neat and tidy at all times.

Sanding, welding and use of torches is not allowed without specific permission from the Harbor Master.

If the maintenance float in the Northeast Harbor Marina is not occupied at or after 5:00 p.m., it may be used for overnight dockage, provided any vessel using it shall depart not later than 7:00 a.m. the following morning. Vessels remaining at the float after 7:00 a.m. without permission will be fined in accordance with Article X of this Ordinance and any reservation for subsequent slip space may be canceled.

In the spring and fall when boats are being rigged and unrigged, if the Maintenance Float is unavailable, boats may remain in the marina for forty-eight (48) hours without charge, if space permits, at the Harbor Master's discretion.

8.8.3 - Commercial Float

Only commercial vessels authorized to do so by the Selectboard may use the commercial float. Unauthorized use by vessels shall be subject to a fine in accordance with Article X of this Ordinance and the vessel may be removed at the owner's expense and risk.

8.8.4 - Public Float

Any vessel, with the exception of those actually carrying passengers or freight for hire, may use the portions of the float so marked within the limits posted. The back of the Public Float will be divided into 2 sections, one for boats of 17 feet or less to be limited to 4 hours, and commercial dinghies. These dinghies will be 14 feet or less and if powered be powered by 25 hp or less, they will also be required to display decals on the inside of their transoms to certify that they are mooring owners in Northeast Harbor. The Harbor Masters office will issue the decals.

Violators may be fined in accordance with Article X of this Ordinance and the vessel may be removed at the owner's expense and risk.

No vessel docked at the public float at the Northeast Harbor Marina may engage in repair work without permission of the Harbor Master.

8.8.5 - Parking

New operators carrying passengers or freight for hire applying to operate from the Northeast Harbor Marina, or existing operators seeking to expand their capacity beyond the approved capacity, must show there is sufficient parking for the new or expanded marine business in order to obtain approval to operate from the Northeast Harbor Marina. Parking relied on to meet this requirement must comply in all respects to the Land Use Zoning Ordinance for the Town of Mount Desert.

Applicants may satisfy the parking requirement by providing new parking, or by showing that sufficient parking is presently available to handle the proposed venture because (i) changes in the approved vessel fleet have reduced demand for parking, or (ii) the Town has provided additional parking sufficient to handle the new or expanded operation.

8.8.6 - Dinghies and Outboard Floats

Town residents shall tie up their dinghies (14 ft limit with 25 hp/ob motors or less) to the float near the Yachtsmen Building at no charge. Transient yachtspersons will also use the same area.

Dinghies used to tend both commercial fishing and commercial vessels will not be charged but will carry a decal issued by the Harbor Masters Office and will be limited to 14 ft with 25 hp o/b motors or less and will tie up behind the public float marked accordingly. The decal will only be issued to commercial float operators and commercial fishermen with moorings in Northeast Harbor.

8.8.7 - Limits on Numbers and Size of Boats

Except as provided below, the Harbor Master shall not approve more than thirteen (13) boats to use the Northeast Harbor Marina, or a lesser number of boats which exceed a maximum licensed load carrying capacity for the combined total number of trips for all vessels of more than 1175 passengers/day, in order to manage the safe and efficient use of the marina facility.

The Harbor Master may recommend to the Harbor Committee increasing the number of boats allowed

to use the Northeast Harbor Marina if the existing boats authorized to use the facility decrease trip frequency thereby creating available space or time slots at the commercial dock, provided that the total passenger carrying capacity of the approved fleet of vessels does not exceed the maximum number as outlined above.

Due to the limited size and load constraints of the present commercial float system, no vessel over 50 feet maximum may dock at the Northeast Harbor commercial float.

8.8.8 - Application Process for Approved Boats

Each approved operator must sign an Operator License Agreement with the Town which includes a commitment to operate for the upcoming season, verifies the size and licensed passenger capacity of the approved vessels, maximum number of trips allowed per day, approved time for these trips, a certificate of liability insurance (which names the Town of Mount Desert as an additionally insured), copy of all vessel operators' current Coast Guard license, a copy of each inspected vessel's current certificate of inspection, as well as other provisions consistent with this Ordinance. The Town shall provide the Contract form.

Operator Contracts are issued by the Town as a license, which grants revocable permission to the licensee to use Town marina facilities. This license does not grant any property interest to the licensee and is not transferable.

On or before September 30 of every third year after an Operating Contract is executed, every approved operator must submit to the Harbor Master an "Application for Approval to Operate from the Northeast Harbor Marina." Applications shall be submitted on forms supplied by the Town and shall, at a minimum, require each operator to submit a detailed operating plan for its use of the marina. The purpose of the Application shall be to provide the Town with a periodic opportunity to review use of the Northeast Harbor Marina. Decision criteria shall include the operator's record of safety, compliance, courteous use of the float, public feedback, and other factors related to the safe and efficient use of the Northeast Harbor Marina.

The Harbor Master shall forward all Applications to the Harbor Committee with a recommendation of Approval, Approval with Conditions, or Non-Approval. The Harbor Committee shall review the Applications and the Harbor Master's recommendations, and forward the Applications to the Selectboard with the Committee's recommendations. The Selectboard shall make the final determination on all Applications.

Proposals for replacing an existing approved vessel by a present operator which involves no increase in passenger carrying capacity, and otherwise complies with this Ordinance, the Contract, and the Application, may be submitted at any time to the Harbor Master for review and approval.

Proposals for changing an existing Contract, Application, or approval in a manner that does not increase use of the Northeast Harbor Marina, ticket booth, or parking for the upcoming season may be submitted to the Harbor Master between January 15 and March 1st of every year for review and approval and, if appropriate, amendment of the Contract.

Proposals from approved operators to change operations in any manner which would increase use of the marina, ticket booth, or parking shall be treated as proposals for new or expanded business, and evaluated accordingly.

All proposals to transfer existing business operations with existing approved operating plans and vessels to new owners ("Direct Replacement of Services") will be considered on a case by case basis at any time and must first be submitted to the Harbor Master for review and comment, next obtain the

recommendation for operational status by the Harbor Committee and finally receive approval by the Selectboard in order to operate from the commercial float.

8.8.9 - New or Expanded Operators

On or before September 30 of any year, the Selectboard will advertise for proposals to be submitted for consideration by potential new passenger vessel operators, as well as proposed additional vessels or proposed higher passenger capacity replacement vessels by presently approved operators, to fill any vacancies which have been created at the Northeast Harbor Marina. Proposals must meet all criteria as outlined in this document, and be submitted on the Application for Approval to Operate from the Northeast Harbor Marina. Selection of new operators, additional vessels, or higher passenger capacity replacement vessels will be on a “space available basis” and will be determined by a lottery system if the number of acceptable proposals exceeds the operating space available. All new or expanded operators will be required to enter into Contracts in this Ordinance.

8.8.10 - Classification of Passenger Vessels

Passenger vessels operating from the marina will be classified and approved for operation in the following categories:

1. “Regular Trip” Operator (includes Drop Off and Pickup privileges); or
2. Operator Approved for “Drop Off and Pickup” (on Demand Services only)

All vessels approved for operation from the Northeast Harbor Marina will also be permitted drop off and pickup privileges in the other harbors of Mount Desert. Regular scheduled trip operations will only be allowed from the Northeast Harbor Marina.

8.8.11 - Ticket Booth

Use of the ticket booth at the marina will be governed by the present “Ticket Booth Cooperative” Bylaws. All vessels approved by the Selectboard for regular trip operation from the marina will be allowed use of this facility upon payment of their joining fee. All vessels approved for “Drop-Off and Pickup” on demand services at the commercial float will be allowed to display their advertising at the ticket booth. Any disputes arising from the operation of the ticket booth will be resolved by the Harbor Master.

8.8.12 - Penalties

Approval to use the Northeast Harbor Marina may be suspended, limited, or revoked by the Harbor Master upon violation of this Ordinance or any applicable Contract or Application, which violation is not corrected as soon as possible and in any event within 30 days of notice from the Harbor Master. The Harbor Master shall not be required to allow a cure period for repeat violations. In addition, the Harbor Master shall have the authority to impose fines as described in Article X of this Ordinance.

ARTICLE IX—HARBOR REGULATIONS

9.1 – Harbor Regulations: In General

9.1.1 - Purpose

All harbors within the Town of Mount Desert are unique and require individual treatment for their most efficient and satisfactory use and operation. Similarly, areas outside harbors within Town waters present ever changing conditions and issues. Accordingly, within the intent and scope of this

Ordinance, rules and regulations may be promulgated, as hereinafter set forth, by the Harbor Master, with the approval by Harbor Committee and the Selectboard.

9.1.2 - Procedure for Regulations

The Harbor Master, in consultation with the Harbor Committee, and upon the further approval by the Selectboard, shall promulgate rules and regulations governing the use of docks, piers, slips, floats, moorings, other Town facilities and marine activity generally within the harbor limits and the tidal waters of the Town of Mount Desert.

9.2 - Speed limits on Vessels

It shall be unlawful for any person to operate any boat or vessel in the harbors of the Town of Mount Desert in such a manner as to cause a wash, or a wake of waves that disturb or damage any wharf, float, dock, Town facility, anchored or moored boat, or at a speed that endangers any person or property or is contrary to the provisions of Title 38, Section 281 of the Maine Revised Statutes, as amended. In no event shall a vessel exceed a speed of five (5) miles per hour in this area.

9.3 - Reckless operation

No person shall operate any vessel in a reckless or negligent manner or while under the influence of alcohol, marijuana, drugs, or other intoxicants so as to endanger the life, limb or property of any person, or contrary to the provisions of Title 38, Section 283 of the Maine Revised Statutes, as revised.

9.4 - Obstructions

It shall be unlawful to tie up or anchor a boat or vessel in violation of the mooring provisions of Article VII in such a manner as to obstruct mooring areas, launch ramps or channels, or to permit or carelessly sink or allow to be sunk any boat or vessel in any channel, mooring area, or berthing space, which shall impede navigation or cause damage to boats or vessels therein. The Harbor Master may order any such boat or vessel to move. If the Harbor Master receives a complaint from an owner, master, or operator of any boat or vessel, that another boats or vessels are obstructing free movement or safe anchorage, he or she shall investigate the situation and order such other boat or vessel to move to an appropriate location, if necessary.

If the Harbor Master should observe a condition in which one boat or vessel is obstructing the free movement or safe anchorage of any other boat or vessel, he or she may order the other boat or vessel to move. If any boat or vessel is anchored within the channel limits established by the Town of Mount Desert the Harbor Master shall order the boat or vessel to move. If space is available the Harbor Master may designate the location to which the obstructing boat or vessel may proceed to anchor.

Whoever neglects or refuses to obey the orders of such Harbor Master be subject to the penalties and fines as described in Article X of this Ordinance. If a boat or vessel described in this section has no crew on board or if the owner, master, or person in charge neglects or refuses to move such boat or vessel, or if the Harbor Master is unable to locate the owner or master or person in charge after reasonable efforts, then the Harbor Master may take steps to remove said boat or vessel, in accordance with the provisions of Title 38, Section 5 of the Maine Revised Statutes, as amended. The Town of Mount Desert or its officials shall not be held liable for any damage to such boat or vessel nor liable to its owners before or after assuming custody. Boats or vessels so taken into custody shall be released to the owner by the Town Manager only after satisfactory proof of ownership has been presented, full reimbursement made to the Town for all costs incident to recovery, movement and storage, and a signed release of all claims is executed by the boat or vessel owner or duly authorized representative.

9.5 - Unsafe Berthing

If any vessel shall be found, in the judgment of the Harbor Master, to be anchored, docked, or moored in an unsafe or dangerous manner, or in such a way as to create a hazard to other vessels or to persons or property, the Harbor Master may order such vessel to move and direct or undertake necessary measures to eliminate such unsafe, unauthorized, or dangerous condition.

Primary responsibility for compliance with such orders and directions shall rest with the owner of the improperly anchored or moored vessel or his or her authorized agent; in the absence of such owner or agent, said responsibility shall rest with the mooring owner or the authorized operator of the facility at which the vessel is anchored, docked, or moored. In an urgent situation, and in the absence of any such responsible person, the Harbor Master may board any vessel and cause the improper situation to be corrected, and the owner of the vessel shall be liable for any costs incurred by the Town of Mount Desert in effecting such correction. The Town or its officials shall not be held liable for any damage to such vessel or property that occurs during or as a result of being boarded pursuant to this section.

9.6 - Abandoned Vessels

No person shall abandon any boat, vessel, hulk, cradle, raft, or any other possible obstruction within the tidal waters and geographic limits covered by this Ordinance. Any property, as herein above described, which shall have been left unattended for a period of sixty (60) days, shall be deemed to have been abandoned. The Harbor Master may order the owner to remove the same within fifteen (15) days. In default of removal or in the event the Harbor Master is unable to identify the owner or master of the vessel after reasonable efforts, the Harbor Master may undertake its removal or destruction at the cost of the owner. Any violation of the above shall be deemed a violation and be subject to the penalties and fines as described in Article X of this Ordinance.

9.7 - Removal of Illegal Vessels

A person shall not moor or permit to be moored, in any harbor or tidal waters of the Town of Mount Desert, a vessel of any kind whatsoever which is un-seaworthy or is in a badly deteriorated condition or which is likely to sink or to damage docks, wharves, floats or other vessels or which may become a menace to navigation, except with the express written permission of the Harbor Master.

9.8 - Infected Vessels

Whenever a vessel arrives in the Town of Mount Desert Harbors having on board any person afflicted with a contagious disease or suspected of being afflicted with such disease, the master, commander, or pilot thereof, and the Health Officer of the Town of Mount Desert shall comply with the provisions of Title 22 of the Maine Revised Statutes, as amended.

9.9 - Debris and Refuse

Unless specifically permitted pursuant to State or Federal law, no person shall deposit or dispose of any refuse, trash, waste, petroleum distillate, or hazardous substance or material in the waters of the town.

No person shall throw, drop, discard, deposit or dispose of any personal property or litter on property owned by the Town, including but not limited to docks, piers, floats and ramps. The Harbor Master is authorized to remove personal property or litter in violation of this Ordinance. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.10 - Concessions

Concessions of all kinds, including those conducted from watercraft, that are operated on a commercial basis shall be allowed at any Town owned dock, pier, float or boat ramp while doing business only by the express

permission of the Harbor Committee and Selectboard.

9.11 - Boat Cradles

All boat cradles shall be removed from general harbor areas and parking lots when not in actual use. Boat cradles shall not be left or caused to be left on any town owned ramp, dock, pier, or harbor parking lot or any town owned facilities without the express permission of the Harbor Master.

9.12 - Signs

Private signs shall not be displayed on any town owned area without the express permission of the Selectboard.

9.13 - Repair Work

Permission of the Harbor Master shall be required for any repair work on boats at any Town owned float, dock or pier before such work is started.

9.14 - Ramps

The grounding out of boats on Town ramps is prohibited except with the express permission of the Harbor Master.

No person shall place or cause to be placed any float or boat, trailers, other vehicles or gear in such a way as to block access to the ramp for use by others.

9.15 - Condition of Docks, Piers, Wharves, Floats and Lobster Cars

Any dock, pier, wharf, float, lobster car or other such structure which is within the Town of Mount Desert and its tidal waters and which has fallen into a state of disrepair or which remains in a dangerous condition, or interferes with the keeping open of convenient channels for the passage of vessels in said harbor and or suitable portions of said harbor for anchorage, shall be deemed a nuisance. The Harbor Master shall give the owner of the dock, pier, wharf or lobster car or other structure written notice of the condition. The notice shall order the owner to abate the nuisance within a reasonable period of time, which shall be specified in the notice. In the event that the Harbor Master cannot give notice to the owner it shall be given to the occupant. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.16 - Seafood Buying Regulations

Seafood Buyers shall be registered with the Harbor Master's Office. Buyers shall provide the Harbor Master with a copy of their State of Maine Seafood Wholesale Buyer's License, as well as registration numbers for vehicles to be utilized in buying, and any other pertinent information.

The permit shall be effective for the applicable fishing season as established by the Maine Department of Marine Resources. Seafood buyers will only be allowed to have one buying vehicle in use at a time per registration. The number of permits issued will be limited to four (4) and no buyer will be issued more than one (1) permit. With prior approval of the Harbor Master, buyers may use the main pier to load their product, but will be limited in time (30 minutes) on the pier. All buyers are responsible for the cleanliness of the area they use and for the personnel selling their product. All buyers must also have proper insurance that names the Town of Mount Desert as an additional insured.

Anyone wishing to buy on a one-time basis will be allowed to do so after registering with the Harbor Master and paying a one-time fee of \$35.00, providing there is space available. For the applicable fishing season, the

cost is \$1,000.00 for as established by the Maine Department of Marine Resources.

9.17 - Noise

It shall constitute a nuisance to cause a noise in an unreasonably loud manner so as to disturb neighboring vessels and/or their occupants. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.18 - Flammable Substances

Within a Mount Desert Harbor or on any maritime facility, no person shall sell, offer for sale, or deliver in bulk any class of flammable liquid or combustible material, nor dispense any flammable or combustible liquids into the fuel tanks of a vessel except when in compliance with all requirements of the N.F.P.A. Fire Code and any other laws or regulations applicable thereto. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.19 - Drug and Alcohol Use

No person shall consume alcoholic beverages, smoke or consume marijuana, or use any illegal drug within publicly accessible areas of any Town pier, dock or float or any vessel tied to such areas. The Harbor Master shall post signs designating the publicly accessible areas where consumption of alcoholic beverages and other intoxicants shall be prohibited. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.20 - Water Skiing and Surfing

No person shall water ski or surf within the harbors of the Town of Mount Desert. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.21 - Shelling of Shellfish

Shelling of shellfish is prohibited within the harbors unless the shells are removed from the harbor area and disposed of in a legal and proper manner. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.22 - Fishing

Fishing in a reckless manner and the use of harpoons or spears from any boat, wharf, float or pier within the harbors is prohibited. Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

9.23 - Compliance with Maine and Federal Boating Laws

All vessels operating within the tidal waters of Mount Desert shall comply with Title 12 of the Maine Revised Statutes, as amended. Additionally, all vessels operating within the tidal waters of Mount Desert shall comply with CGM1672-2D (Navigation Rules). Any violation of this section is subject to the penalties and fines as described in Article X of this Ordinance.

ARTICLE X – PENALTIES

The Harbor Master, or his or her designees, shall enforce all provision of this Ordinance, or any rule or regulation promulgated pursuant to its authority.

The master or owner of any vessel or any other person who violates any of the provisions of this Ordinance, for which a specific penalty is not set forth herein, or for which a specific penalty is not otherwise provided by the laws of the State of Maine, shall be subject to the monetary penalties set forth in 30-A M.R.S. § 4452, as amended, which includes, without limitation, a minimum penalty for a specific violation in the amount of \$100 and a maximum penalty for a specific violation in the amount of \$2,500.

Violations of this Ordinance, which also constitute violations of State laws with regard to speed restrictions, reckless operation of a vessel or operation of a vessel under the influence of drugs or liquor, as, set forth in 38 M.R.S. § 281-285, as amended, shall be subject to the penalties set forth in State law.

In addition to the monetary penalties set forth herein, a violator of this Ordinance shall also be subject to an order of abatement of the violation as set forth in 30-A M.R.S. § 4452, as amended, and that violator shall further be subject to an action by the Town of Mount Desert, in a court of competent jurisdiction, for injunctive relief in order to prevent or abate violations of this Ordinance.

Appendix B (Article 23; warrant pg. 14)

Purchase Agreement for ReVision

Solar Power Purchase Agreement

This Solar Power Purchase Agreement (this “**Agreement**”) is entered into by the parties listed below (each a “**Party**” and collectively the “**Parties**”) as of the date signed by Seller below (the “**Effective Date**”).

Purchaser:	Town of Mount Desert, ME	Seller:	ReVision Investments, LLC
Name and Address	Town of Mount Desert, ME 21 Sea St. PO Box 248 Northeast Harbor, ME 04662 Attention: Tony Smith, Public Works Director	Name and Address	ReVision Investments, LLC c/o ReVision Energy, LLC 142 Presumpscot St. Portland, ME 04103 Attention: Sam Lavallee, Director of Financing
Phone	(207) 276-5531	Phone	(207) 221-6342
Fax	(207) 276-3232	Fax	(207) 221-1535
E-mail	director@mtdesert.org	E-mail	sam@revisionenergy.com
Premises Ownership	Purchaser [x] owns [] leases the Premises. List Premises Owner, if different from Purchaser: _____	Additional Seller Information	ReVision Investments, LLC is a wholly owned subsidiary of ReVision Energy, LLC

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electric energy from the solar panel system described in **Exhibit 2** (the “**System**”), interconnected to the Purchaser’s facility described in **Exhibit 2** (the “**Facility**”), and installed on the property upon which the System and Facility are located as described in **Exhibits 5 and 6** (the “**Premises**”).

The exhibits listed below are incorporated by reference and made part of this Agreement.

- Exhibit 1** Basic Terms and Conditions
- Exhibit 2** System Description
- Exhibit 3** Credit Information
- Exhibit 4** General Terms and Conditions
- Exhibit 5** Form of Memorandum of License
- Exhibit 6** Easement Agreement

Purchaser: Town of Mount Desert, ME

Seller: ReVision Investments, LLC

By (signature): _____

By (signature): _____

Printed Name: _____

Printed Name: Fortunat Mueller _____

Title: _____

Title: Managing Member, ReVision Investments, LLC

Date: _____

Date: _____

Guaranty: As the sole owner of ReVision Investments, LLC ReVision Energy, LLC, unconditionally guarantees performance of Seller's obligations under this Power Purchase Agreement and any addendum thereto, and waives recourse to any guarantorship or suretyship defenses with respect to the same.

ReVision Energy, LLC

By: _____
Fortunat Mueller, Managing Member

Exhibit 1
Basic Terms and Conditions

1. **Initial Term:** Twenty (20) years, beginning on the Commercial Operation Date.
2. **Additional Terms:** Up to two (2) Additional Terms of five (5) years each.
3. **Environmental Incentives and Environment Attributes:** Accrue to Seller, however Purchaser has the option to purchase Renewable Energy Credits (RECs) at the price (\$/MWH) and for the years specified below. RECs for any Contract Year not bought by Purchaser under this option will be sold to third parties.
Purchaser [] WILL purchase [x] WILL NOT purchase RECS as specified in this Exhibit 1, Section 4.
4. **Contract Energy Price per Kilowatt Hour (\$/kWh) and Optional REC Price per Megawatt Hour (\$/MWH):**

Contract Year	Estimated Energy Production (kWh)	Energy \$/kWh	REC \$/MWH
1	71,309	\$0.1619	N/A
2	70,952	\$0.1619	N/A
3	70,598	\$0.1619	N/A
4	70,245	\$0.1619	N/A
5	69,893	\$0.1619	N/A
6	69,544	\$0.1619	N/A
7	69,196	\$0.2219	N/A
8	68,850	\$0.2219	N/A
9	68,506	\$0.2219	N/A
10	68,164	\$0.2219	N/A
11	67,823	\$0.2219	N/A
12	67,484	\$0.2219	N/A
13	67,146	\$0.2219	N/A
14	66,810	\$0.2219	N/A
15	66,476	\$0.2219	N/A
16	66,144	\$0.2219	N/A
17	65,813	\$0.2219	N/A
18	65,484	\$0.2219	N/A

19	65,157	\$0.2219	N/A
20	64,831	\$0.2219	N/A

5. **Condition Satisfaction Date:** Jun. 30, 2017
6. **Anticipated Commercial Operation Date:** Sep. 30, 2017
7. **Rebate Variance.** All prices in this Agreement are calculated based on an upfront rebate of \$0. If the actual rebate is lower than calculated, prices will be adjusted pro-rata to reflect the actual rebate received.
8. **Purchaser Options to Purchase System.** ☐ None, or ☒ As set forth in Section 17.b.
9. **Outside Commercial Operation Date:** Dec. 31, 2017.
10. **System Installation:**

Includes:	<input checked="" type="checkbox"/> Design, engineering, permitting, installation, monitoring, rebate application and paperwork processing of the System. <input checked="" type="checkbox"/> Limited Warranty. <input type="checkbox"/> List of Approved Subcontractors <input checked="" type="checkbox"/> Any like substantive equipment, in the sole discretion of the Seller. <input type="checkbox"/> State or Utility Rebate, if any. Describe: _____
Excludes:	Unforeseen groundwork (including, but not limited to, excavation/circumvention of underground obstacles), upgrades or repair to the Facility or utility electrical infrastructure, utility impact study if applicable, payment bonds, performance bond(s), prevailing wage construction, tree removal, tree trimming, professional engineer's stamp review if required by local or state permitting, or energy audit, if required.

Exhibit 2

System Description

1. **System Location:** 307 Sargeant Dr., Mount Desert, ME 04660
2. **System Size:** 76.5 DC kW (panel nameplate capacity), 57.0 AC kW (inverter rating).
3. **Expected First Year Energy Production (kWh):** 71,309. Expected energy production shall be de-rated by one half of one percent (0.5%) annually. Annual energy production is based on maintenance of Insolation levels provided for in the Irradiance Zone and Shade Map and the Helioscope projections provided in Attachment A, below.
4. **Expected Structure:** ☐ Ground Mount ☒ Roof Mount ☐ Parking Structure ☐ Other
5. **Expected Module(s):**

<u>Manufacturer/Model</u>	<u>Quantity</u>

Q.CELL 300W, or equivalent	255
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6. **Expected Inverter(s):**

<u>Manufacturer/Model</u>	<u>Quantity</u>
SolarEdge 11.4kW, or equivalent	5

7. **Facility and System Layout:** See **Exhibit 2, Attachment A**

8. **Utility:** Emera Maine

9. **Participating Meters:**

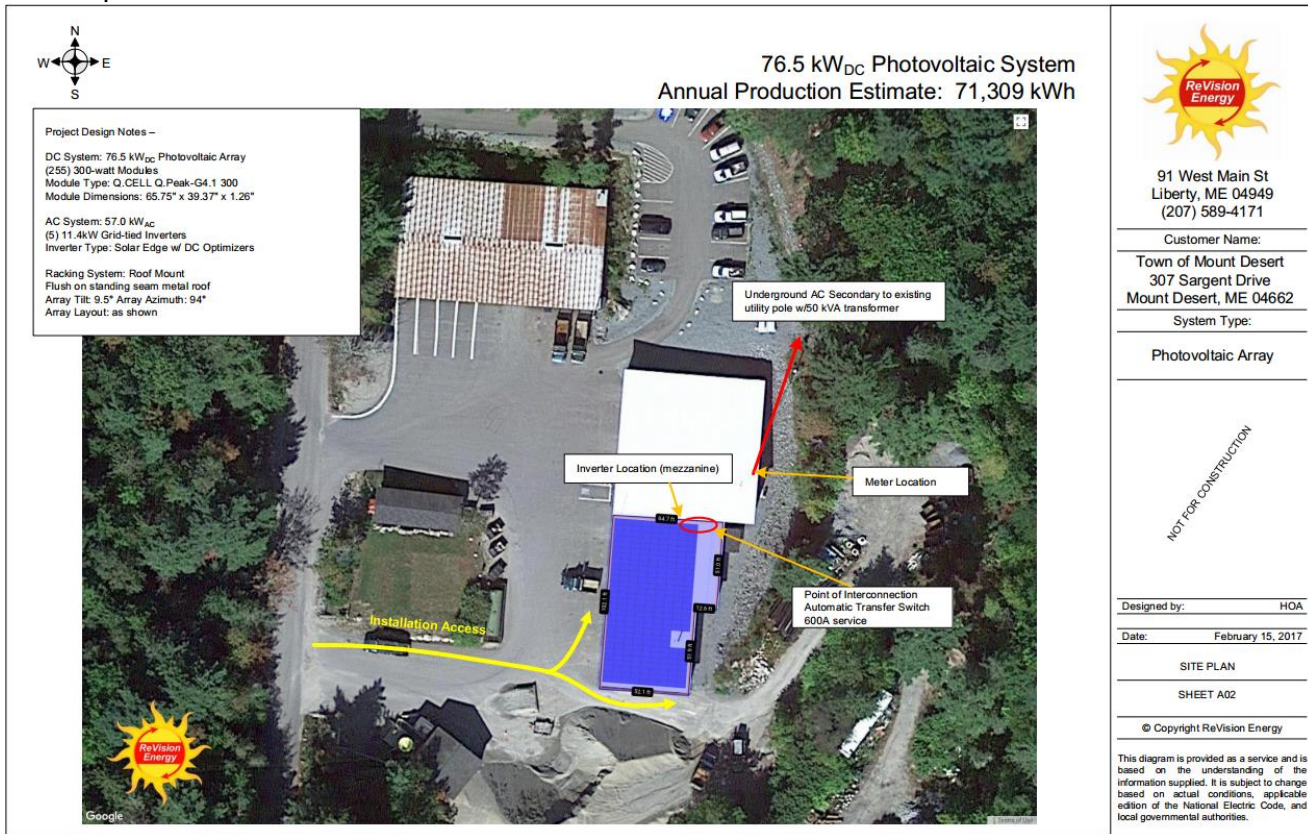
i. 7703054

ii. 7500848

Exhibit 2
Attachment A:
Facility and System Layout

Aerial Image of Facility	See Site Map, below.
Conceptual Drawing of the System	See One Line Drawing, below.
Location of System Components	Solar array to be located on roof of the Public Works Garage as portrayed in site map. Inverters to be located in utility room of building or other location as agreed upon by the Parties.
Delivery Point	On utility side of private meter/data logger as shown in One Line Drawing, below.
Access Points	Access shall be by existing drives and ways and as mutually agreed by the Parties. Access shall be adequate to allow full and timely access to the facility for installation and maintenance. See also Site Map, below.
Irradiance Zone	Removal of vegetation and prevention of shading to protect the irradiance zone for the system shall conform to the specifications set forth in the Irradiance Zone and Shade Map, below.

Site Map:



One Line Drawing:

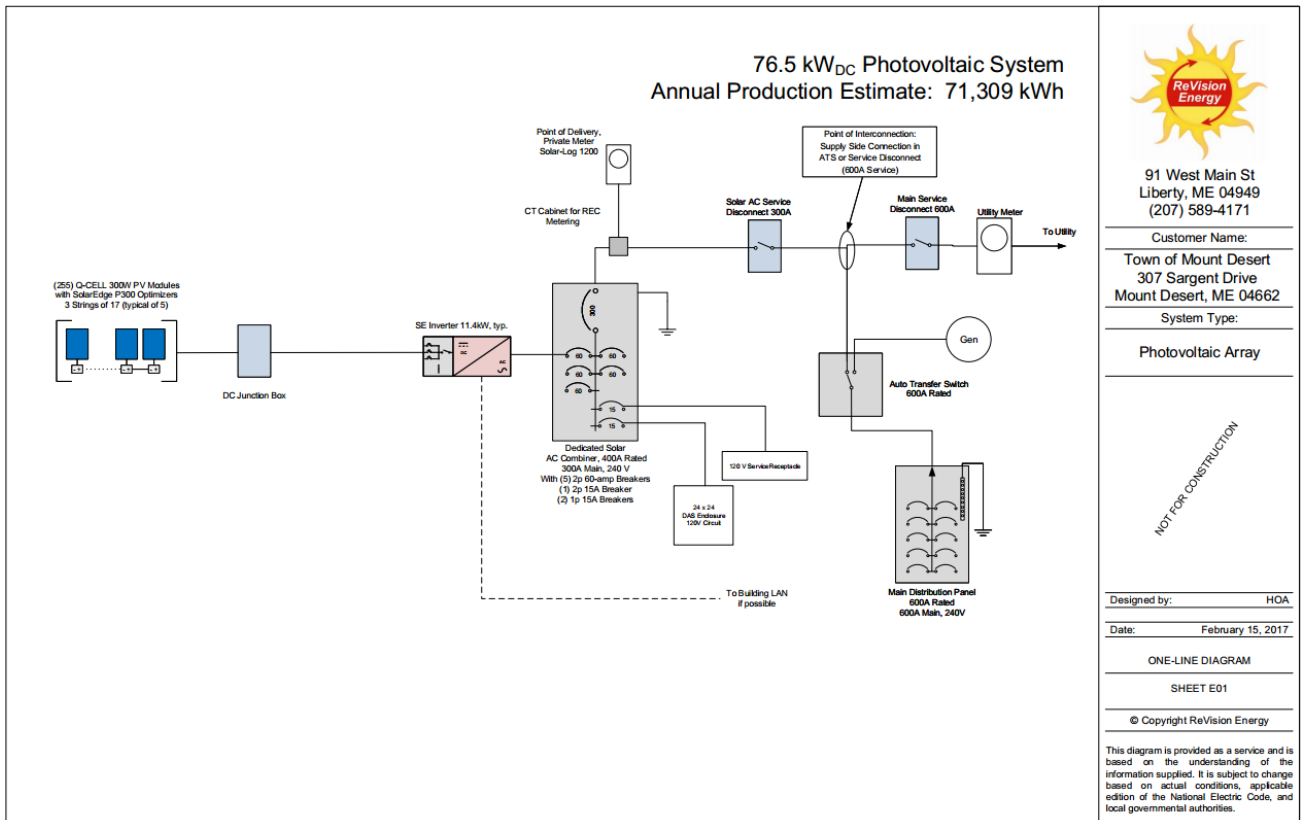


Exhibit 3
Credit Information

Omitted by agreement of the Parties.

Exhibit 4
Solar Power Purchase Agreement
General Terms and Conditions

1. **Definitions and Interpretation.** Unless otherwise defined or required by the context in which any term appears: (a) the singular includes the plural and vice versa; (b) the words “herein,” “hereof” and “hereunder” refer to this Agreement as a whole and not to any particular section or subsection of this Agreement; (c) references to any agreement, document or instrument mean such agreement, document or instrument as amended, modified, supplemented or replaced from time to time; and (d) the words “include,” “includes” and “including” mean include, includes and including “without limitation.” The captions or headings in this Agreement are strictly for convenience and shall not be considered in interpreting this Agreement. The rule of construction that ambiguities in an agreement are to be construed against the drafter will not be invoked or applied in any dispute regarding the meaning of any provision of this Agreement.
2. **Purchase and Sale of Electricity.** Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electric energy generated by the System during the Initial Term and any Additional Term (as defined in Exhibit 1, and collectively the “Term”). Electric energy generated by the System will be delivered to Purchaser at the delivery point identified on Exhibit 2 (the “Delivery Point”). Purchaser shall take title to the electric energy generated by the System at the Delivery Point, and risk of loss will pass from Seller to Purchaser at the Delivery Point. Purchaser may purchase electric energy for the Facility from other sources if the Purchaser's electric requirements at the Facility exceed the output of the System. Any purchase, sale and/or delivery of electric energy generated by the System prior to the Commercial Operation Date shall be treated as purchase, sale and/or delivery of limited amounts of test energy only and shall not indicate that the System has been put in commercial operation by the purchase, sale and/or delivery of such test energy.
3. **Purchase and Sale of Renewable Energy Credits.** If Purchaser elects the Renewable Energy Credit (REC) purchase option provided in Exhibit 1, Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the RECs generated by the System for the Contract Year and at the price per megawatt-hour specified for that year shown in Exhibit 1.
4. **Term and Termination.**
 - a. *Initial Term. The initial term (“Initial Term”) of this Agreement shall commence on the Commercial Operation Date (as defined below) and continue for the length of time specified in Exhibit 1, unless earlier terminated as provided for in this Agreement. The “Commercial Operation Date” is the date Seller gives Purchaser written notice that the System is mechanically complete and capable of providing electric energy to the Delivery Point. Such notice shall be deemed effective unless Purchaser reasonably objects within five (5) days of the date of such notice. Upon Purchaser’s request, Seller will give Purchaser copies of certificates of completion or similar documentation from Seller’s contractor and the interconnection or similar agreement with the entity authorized and required under applicable law to provide electric distribution service to Purchaser at the Facility (the “Utility”), as set forth on Exhibit 2. This Agreement is effective as of the Effective Date and Purchaser’s failure to enable Seller to provide the electric energy by preventing it from installing the System or otherwise not performing shall not excuse Purchaser’s obligations to make payments that otherwise would have been due under this Agreement.*

- b. **Additional Terms.** Prior to the end of the Initial Term or of any applicable Additional Term, as defined below, if Purchaser has not exercised its option to purchase the System, either Party may give the other Party written notice of its desire to extend this Agreement on the terms and conditions set forth herein for the number and length of additional periods specified in Exhibit 1 (each such additional period, an "Additional Term"). Such notice shall be given, if at all, not more than one hundred twenty (120) and not less than sixty (60) days before the last day of the Initial Term or the then current Additional Term, as applicable. The Party receiving the notice requesting an Additional Term shall respond positively or negatively to that request in writing within thirty (30) days after receipt of the request. Failure to respond within such thirty (30) day period shall be deemed a rejection of the offer for an Additional Term. If both Parties agree to an Additional Term, the Additional Term shall begin immediately upon the conclusion of the Initial Term or the then current term on the same terms and conditions as set forth in this Agreement. If the Party receiving the request for an Additional Term rejects or is deemed to reject the first Party's offer, this Agreement shall terminate at the end of the Initial Term (if the same has not been extended) or the then current Additional Term.

5. **Billing and Payment.**

- a. **Monthly Energy Charges.** Purchaser shall pay Seller monthly (or quarterly, if Seller elects quarterly invoicing under subsection (d) of this Section 5) for the electric energy generated by the System and delivered to the Delivery Point at the \$/kWh rate shown in Exhibit 1 (the "Contract Price"). The periodic payment for such energy will be equal to the applicable \$/kWh rate multiplied by the number of kWh of energy generated during each month of the applicable billing period, as measured by the System meter.
- b. **Monthly REC Charges.** If Purchaser elects the Renewable Energy Credit (REC) purchase option in Exhibit 1, for each year it exercises the option, Purchaser shall pay Seller monthly for all RECs generated by the System at the \$/MWh rate shown in Exhibit 1 (the "REC Price"). The monthly payment for such RECs will be equal to the applicable \$/MWh rate multiplied by the number of MWh of energy generated during the applicable month, as measured by the System meter.
- c. **Monthly Invoices.** Seller shall invoice Purchaser monthly in arrears, either manually or through ACH. Such monthly invoices shall state (i) the amount of electric energy produced by the System and delivered to the Delivery Point, (ii) the energy and REC rates applicable to, and charges incurred by, Purchaser under this Agreement and (iii) the total amount due from Purchaser.
- d. **Seller's Option for Quarterly Invoicing.** Seller, at Seller's sole option, may elect to invoice Purchaser on a quarterly basis. If Seller exercises the option to invoice quarterly for one or more billing periods, it shall not prohibit Seller from invoicing Monthly thereafter. Seller shall provide Purchaser with at least 30 days prior notice before changing the frequency of invoicing.
- e. **Taxes.** Purchaser shall either pay or reimburse Seller for any and all taxes assessed on the generation, sale, delivery or consumption of electric energy produced by the System or the interconnection of the System to the Utility's electric distribution system, including property taxes on the System; provided, however, Purchaser will not be required to pay or reimburse Seller for any taxes during periods when Seller fails to deliver electric energy to Purchaser for reasons other than Force Majeure or as a result of Purchaser's acts or omissions. For purposes of this Section 5.e, "Taxes" means any federal, state and local ad valorem, property, occupation, generation, privilege, sales, use, consumption, excise, transaction, and other taxes, regulatory fees, surcharges or other similar charges, but shall not include any income taxes or similar taxes imposed on Seller's revenues due to the sale of energy under this Agreement, which shall be Seller's responsibility.
- f. **Payment Terms.** All amounts due under this Agreement shall be due and payable net twenty (20) days from receipt of invoice. Any undisputed portion of the invoice amount not paid within

the twenty (20) day period shall accrue interest at the annual rate of two and one-half percent (2.5%) over the prime rate, as published in the Wall Street Journal (but not to exceed the maximum rate permitted by law).

6. Environmental Attributes and Environmental Incentives.

Unless otherwise specified in **Exhibit 1**, Seller is the owner of all Environmental Attributes and Environmental Incentives and is entitled to the benefit of all Tax Credits, and Purchaser's purchase of electricity under this Agreement does not include Environmental Attributes, Environmental Incentives or the right to Tax Credits or any other attributes of ownership and operation of the System, all of which shall be retained by Seller. Purchaser shall cooperate with Seller in obtaining, securing and transferring all Environmental Attributes and Environmental Incentives and the benefit of all Tax Credits, including by using the electric energy generated by the System in a manner necessary to qualify for such available Environmental Attributes, Environmental Incentives and Tax Credits. Purchaser shall not be obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. If any Environmental Incentives are paid directly to Purchaser, Purchaser shall immediately pay such amounts over to Seller.

Press Releases and RECs. To avoid any conflicts with fair trade rules regarding claims of solar or renewable energy use, Purchaser shall submit to Seller for approval any press releases regarding Purchaser's use of solar or renewable energy and shall not submit for publication any such releases without the written approval of Seller. Approval shall not be unreasonably withheld, and Seller's review and approval shall be made in a timely manner to permit Purchaser's timely publication. Except for Contract Years in which Purchaser purchases RECs, Seller has the exclusive right to (i) claim that electric energy provided to Purchaser was generated by the Project, (ii) Seller is responsible for the reductions in emissions of pollution and greenhouse gases resulting from the generation of such electric energy and (iii) Seller is entitled to all credits, certificates, registrations, etc., evidencing or representing any of the foregoing except as otherwise expressly provided in this Agreement.

"Environmental Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the System, the production of electrical energy from the System and its displacement of conventional energy generation, including (a) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (b) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (c) the reporting rights related to these avoided emissions, such as Green Tag Reporting Rights and Renewable Energy Credits. Green Tag Reporting Rights are the right of a party to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party, and include Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Environmental Attributes do not include Environmental Incentives and Tax Credits. Purchaser and Seller shall file all tax returns in a manner consistent with this **Section 6**. Without limiting the generality of the foregoing, Environmental Attributes include carbon trading credits, renewable energy credits or certificates, emissions reduction credits, emissions allowances, green tags tradable renewable credits and Green-e® products.

"Environmental Incentives" means any and all credits, rebates, subsidies, payments or other incentives that relate to self-generation of electricity, the use of technology incorporated into the System, environmental benefits of using the System, or other similar programs available from the Utility, any other regulated entity, the manufacturer of any part of the System or any Governmental Authority.

"Governmental Authority" means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including the Federal Energy Regulatory Commission, a state Public Utilities Commission or Independent System Operator), or any arbitrator with authority to bind a party at law.

"Tax Credits" means any and all (a) investment tax credits, (b) production tax credits and (c) similar tax credits or grants under federal, state or local law relating to the construction, ownership or production of energy from the System.

7. **Conditions to Obligations.**

- a. **Conditions to Seller's Obligations.** *Seller's obligations under this Agreement are conditioned on the completion of the following conditions to Seller's reasonable satisfaction on or before the Condition Satisfaction Date:*
- i. Completion of a physical inspection of the Facility and the property upon which the Facility is located (the "Premises") including, if applicable, geotechnical work, and real estate due diligence to confirm the suitability of the Facility and the Premises for the System;
 - ii. Approval of (A) this Agreement and (B) the Construction Agreement (if any) for the System by Seller's Financing Parties. "Construction Agreement" as used in this subsection means an agreement between Seller and any contractor or subcontractor to install all or part of the System;
 - iii. Confirmation that Seller will obtain all applicable Environmental Incentives and Tax Credits;
 - iv. Receipt of all necessary zoning, land use and building permits; and
 - v. Execution of all necessary agreements with the Utility for interconnection of the System to Facility electrical system and/or the Utility's electric distribution system.
- b. **Failure of Conditions.** *If any of the conditions listed in subsection (a) are not satisfied by the Condition Satisfaction Date, the Parties will attempt in good faith to negotiate new dates for the satisfaction of the failed conditions. If the Parties are unable to negotiate new dates then Seller may terminate this Agreement upon ten (10) days written notice to Buyer without liability for costs or damages or triggering a default under this Agreement.*
- c. **Commencement of Construction.** *Seller's obligation to commence construction and installation of the System is conditioned on Seller's receipt of (A) proof of insurance for all insurance required to be maintained by Purchaser under this Agreement, (B) written confirmation from any person holding a mortgage, lien or other encumbrance over the Premises or the Facility, as applicable, that such person will recognize Seller's rights under this Agreement for as long Seller is not in default hereunder and (C), a signed and notarized original copy of the easement agreement suitable for recording, substantially in the form attached hereto as Exhibit 6 (the "Easement Agreement").*
- d. **Conditions to Purchaser's Obligations.** *Purchaser's obligations under Section 5.a are conditioned on the occurrence of the Commercial Operation Date for the System by the Outside Commercial Operation Date.*

8. **Seller's Rights and Obligations.**

- a. **Permits and Approvals.** *Seller, with Purchaser's reasonable cooperation, shall use commercially reasonable efforts to obtain, at its sole cost and expense:*
- i. any zoning, land use and building permits required to construct, install and operate the System;
 - ii. any agreements and approvals from the Utility necessary in order to interconnect the System to the Facility electrical system and/or the Utility's electric distribution system; and

- iii. any agreements and approvals from the Utility or Public Utilities Commission necessary in order to net meter energy produced by the System among Purchaser's Utility meters and/or accounts.

Purchaser shall cooperate with Seller's reasonable requests to assist Seller in obtaining such agreements, permits and approvals. Where required, Purchaser shall obtain all such agreements, permits and approvals in Purchaser's name to enable and benefit operation of the System, however, Seller shall pay or reimburse Purchaser for all fees required.

- b. **Standard System Repair and Maintenance.** Seller shall construct and install the System at the Facility. During the Term, Seller will operate and perform all routine and emergency repairs to, and maintenance of, the System at its sole cost and expense, except for any repairs or maintenance resulting from Purchaser's negligence, willful misconduct or breach of this Agreement. Seller shall not be responsible for any work done by others on any part of the System unless Seller authorizes that work in advance in writing. Seller shall not be responsible for any loss, damage, cost or expense arising out of or resulting from improper environmental controls or improper operation or maintenance of the System by anyone other than Seller or Seller's contractors. If the System requires repairs for which Purchaser is responsible, Purchaser shall pay Seller for diagnosing and correcting the problem at Seller or Seller's contractors' then current standard rates. Seller shall provide Purchaser with reasonable notice prior to accessing the Facility to make standard repairs.
- c. **Non-Standard System Repair and Maintenance.** If Seller incurs incremental costs to maintain the System due to conditions at the Facility or due to the inaccuracy of any information provided by Purchaser and relied upon by Seller, the pricing, schedule and other terms of this Agreement will be equitably adjusted to compensate for any work in excess of normally expected work required to be performed by Seller. In such event, the Parties will negotiate such equitable adjustment in good faith.
- d. **Breakdown Notice.** Seller shall notify Purchaser within twenty-four (24) hours following Seller's discovery of (i) any material malfunction in the operation of the System or (ii) an interruption in the supply of electrical energy from the System. Purchaser and Seller shall each designate personnel and establish procedures such that each Party may provide notice of such conditions requiring Seller's repair or alteration at all times, twenty-four (24) hours per day, including weekends and holidays. Purchaser shall notify Seller immediately upon the discovery of an emergency condition affecting the System.
- e. **Suspension.** Notwithstanding anything to the contrary herein, Seller shall be entitled to suspend delivery of electricity from the System to the Delivery Point for the purpose of maintaining and repairing the System and such suspension of service shall not constitute a breach of this Agreement; provided, that Seller shall use commercially reasonable efforts to minimize any interruption in service to the Purchaser.
- f. **Use of Contractors and Subcontractors.** Seller shall be permitted to use contractors and subcontractors to perform its obligations under this Agreement, provided however, that such contractors and subcontractors shall be duly licensed and shall provide any work in accordance with applicable industry standards. Notwithstanding the foregoing, Seller shall continue to be responsible for the quality of the work performed by its contractors and subcontractors.
- g. **Liens and Payment of Contractors and Suppliers.** Seller shall pay when due all valid charges from all contractors, subcontractors and suppliers supplying goods or services to Seller under this Agreement and shall keep the Facility free and clear of any liens related to such charges, except for those liens which Seller is permitted by law to place on the Facility following non-payment by Purchaser of amounts due under this Agreement. Seller shall indemnify Purchaser for all claims, losses, damages, liabilities and expenses resulting from any liens filed against the Facility or the Premises in connection with such charges; provided, however, that Seller shall have the right to contest any such lien, so long as it provides a statutory bond or

other reasonable assurances of payment that either remove such lien from title to the Facility and the Premises or that assure that any adverse judgment with respect to such lien will be paid without affecting title to the Facility and the Premises.

- h. **No Warranty.** NO WARRANTY OR REMEDY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY. The remedies set forth in this Agreement shall be Purchaser's sole and exclusive remedies for any claim or liability arising out of or in connection with this Agreement, whether arising in contract, tort (including negligence), strict liability or otherwise.

9. **Purchaser's Rights and Obligations.**

- a. **License to the Premises; Facility Access Rights.** Purchaser grants to Seller and to Seller's agents, employees, contractors and assignees an irrevocable non-exclusive license running with the Premises (the "License") for access to, on, over, under and across the Premises for the purposes of (i) installing, constructing, operating, owning, maintaining, accessing, removing and replacing the System; (ii) performing all of Seller's obligations and enforcing all of Seller's rights set forth in this Agreement; and (iii) installing, using and maintaining electric lines and equipment, including inverters and meters necessary to interconnect the System to Purchaser's electric system at the Facility, to the Utility's electric distribution system, if any, or for any other purpose that may from time to time be useful or necessary in connection with the construction, installation, operation, maintenance or repair of the System. Seller shall notify Purchaser prior to entering the Facility except in situations where there is imminent risk of damage to persons or property. The term of the License shall continue until the date that is one hundred and twenty (120) days following the date of expiration or termination of this Agreement (the "License Term"). During the License Term, Purchaser shall ensure that Seller's rights under the License and Seller's access to the Premises and the Facility are preserved and protected. Purchaser shall not interfere with nor shall permit any third parties to interfere with such rights or access. The grant of the License shall survive termination of this Agreement by either Party. At request of Seller, Purchaser shall execute a memorandum of License, and which shall be in form and substance set forth Exhibit 5, or other form agreed to by the Parties. Seller may, at its sole cost and expense, record such memorandum of License with the appropriate land registry or recorder's office.
- b. **OSHA Compliance.** Both Parties shall ensure that all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws or codes are adhered to in their performance under this Agreement.
- c. **Maintenance of Facility.** Purchaser shall, at its sole cost and expense, maintain the Facility in good condition and repair. Purchaser will ensure that the Facility remains interconnected to the Utility's electric distribution system at all times and will not cause cessation of electric service to the Facility from the Utility. Purchaser is fully responsible for the maintenance and repair of the Facility's electrical system and of all of Purchaser's equipment that utilizes the System's outputs. Purchaser shall properly maintain in full working order all of Purchaser's electric supply or generation equipment that Purchaser may shut down while utilizing the System. Purchaser shall promptly notify Seller of any matters of which it is aware pertaining to any damage to or loss of use of the System or that could reasonably be expected to adversely affect the System.
- d. **No Alteration of Facility.** Purchaser shall not make any alterations or repairs to the Facility which could adversely affect the operation and maintenance of the System without Seller's prior written consent. If Purchaser wishes to make such alterations or repairs, Purchaser shall give prior written notice to Seller, setting forth the work to be undertaken (except for emergency repairs, for which notice may be given by telephone), and give Seller the opportunity to advise Purchaser in making such alterations or repairs in a manner that avoids damage to the System, but, notwithstanding any such advice, Purchaser shall be responsible for all damage to the

System caused by Purchaser or its contractors. To the extent that temporary disconnection or removal of the System is necessary to perform such alterations or repairs, such work and any replacement of the System after completion of Purchaser's alterations and repairs, shall be done by Seller or its contractors at Purchaser's cost. In addition, Purchaser shall pay Seller an amount equal to the sum of (i) payments that Purchaser would have made to Seller hereunder for electric energy that would have been produced by the System during such disconnection or removal; (ii) revenues that Seller would have received with respect to the System under the any rebate program and any other assistance program with respect to electric energy that would have been produced during such disconnection or removal; (iii) revenues from Environmental Attributes that Seller would have received with respect to electric energy that would have been produced by the System during such disconnection or removal; and (iv) Tax Credits that Seller (or, if Seller is a pass-through entity for tax purposes, Seller's owners) would have received with respect to electric energy that would have been produced by the System during such disconnection or removal. Determination of the amount of energy that would have been produced during any disconnection or removal shall be in accordance with the procedures in Section 11.b. All of Purchaser's alterations and repairs will be done in a good and workmanlike manner and in compliance with all applicable laws, codes and permits.

- e. **Outages.** Purchaser shall be permitted to be off line for a total of forty-eight (48) daylight hours (each, a "Scheduled Outage") per calendar year during the Term, during which hours Purchaser shall not be obligated to accept or pay for electricity from the System; provided, however, that Purchaser must notify Seller in writing of each such Scheduled Outage at least forty-eight (48) hours in advance of the commencement of a Scheduled Outage. In the event that Scheduled Outages exceed a total of forty-eight (48) daylight hours per calendar year or there are unscheduled outages, in each case for a reason other than a Force Majeure event, Purchaser shall pay Seller an amount equal to the sum of (i) payments that Purchaser would have made to Seller hereunder for electric energy that would have been produced by the System during the outage; (ii) revenues that Seller would have received with respect to the System under the any rebate program and any other assistance program with respect to electric energy that would have been produced during the outage; (iii) revenues from Environmental Attributes that Seller would have received with respect to electric energy that would have been produced by the System during the outage; and (iv) Tax Credits that Seller (or, if Seller is a pass-through entity for tax purposes, Seller's owners) would have received with respect to electric energy that would have been produced by the System during the outage. Determination of the amount of energy that would have been produced during the removal or disconnection shall be in accordance with the procedures in Section 11.b.
- f. **Liens.** Purchaser shall not directly or indirectly cause, create, incur, assume or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature on or with respect to the System or any interest therein. Purchaser shall immediately notify Seller in writing of the existence of any such mortgage, pledge, lien, charge, security interest, encumbrance or other claim, shall promptly cause the same to be discharged and released of record without cost to Seller, and shall indemnify Seller against all costs and expenses (including reasonable attorneys' fees) incurred in discharging and releasing any such mortgage, pledge, lien, charge, security interest, encumbrance or other claim. Notwithstanding anything else herein to the contrary, pursuant to Section 20.a), Seller may grant a lien on the System and may assign, mortgage, pledge or otherwise collaterally assign its interests in this Agreement and the System to any Financing Party.
- g. **Security.** Purchaser shall be responsible for using commercially reasonable efforts to maintain the physical security of the Facility and the System against known risks and risks that should have been known by Purchaser. Purchaser will not conduct activities on, in or about the ~~Premises~~ or the Facility that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting the System.
- h. **Insolation.** Purchaser understands that unobstructed access to sunlight ("Insolation") is essential to Seller's performance of its obligations and a material term of this Agreement.

Purchaser shall not in any way cause and, where possible, shall not in any way permit any interference with the System's Insolation. If Purchaser becomes aware of any activity or condition that could diminish the Insolation of the System, Purchaser shall notify Seller immediately and shall cooperate with Seller in preserving the System's existing Insolation levels. The Parties agree that reducing Insolation would irreparably injure Seller, that such injury may not be adequately compensated by an award of money damages, and that Seller is entitled to seek specific enforcement of this Section 9.h against Purchaser. If Purchaser allows or causes any activity or condition that diminishes Insolation levels specified in Exhibit 2 Attachment A so as to cause energy generation of the System to fall more than 15 % below projections in Exhibit 1, Purchaser and Seller agree that until the activity ceases or conditions are returned to Insolation levels specified in Exhibit 2 Attachment A, Seller may bill for energy based on the amount of energy that would have been produced without loss of Insolation in accordance with the procedures in Section 11.b.

- i. **Breakdown Notice.** *Purchaser shall notify Seller within twenty-four (24) hours following the discovery by it of (i) any material malfunction in the operation of the System; or (ii) any occurrences that could reasonably be expected to adversely affect the System. Purchaser shall notify Seller immediately upon (i) an interruption in the supply of electrical energy from the System; or (ii) the discovery of an emergency condition respecting the System. Purchaser and Seller shall each designate personnel and establish procedures such that each Party may provide notice of such conditions requiring Seller's repair or alteration at all times, twenty-four (24) hours per day, including weekends and holidays.*

10. **Change in Law.**

"Change in Law" means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation; (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date of this Agreement (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), or (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority which in the case of any of (i), (ii) or (iii), establishes requirements affecting owning, supplying, constructing, installing, operating or maintaining the System, or other performance of the Seller's obligations hereunder and which has a material adverse effect on the cost to Seller of performing such obligations; provided, that a change in federal, state, county or any other tax law after the Effective Date of this Agreement shall not be a Change in Law pursuant to this Agreement.

If any Change in Law occurs that has a material adverse effect on the cost to Seller of performing its obligations under this Agreement, then the Parties shall, within thirty (30) days following receipt by Purchaser from Seller of notice of such Change in Law, meet and attempt in good faith to negotiate amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller shall have the right to terminate this Agreement without further liability to either Party except with respect to payment of amounts accrued prior to termination.

11. **Relocation of System.**

- a. **System Relocation.** *If Purchaser ceases to conduct business operations at the Facility, or otherwise vacates the Facility prior to the expiration of the Term, Purchaser shall have the option to provide Seller with a mutually agreeable substitute premises located within the same utility district as the terminated System or in a location with similar utility rates and Insolation. Purchaser shall provide written notice at least sixty (60) days but not more than one hundred eighty (180) days prior to the date that it wants to make this substitution. In connection with such substitution, Purchaser shall execute an amended agreement that shall have all of the same terms as this Agreement except for the (i) Effective Date; (ii) License, which will be amended to grant rights in the real property where the System is relocated to; and (iii) Term, which will be equal to the remainder of the Term of this Agreement calculated starting at the shutdown of the System pursuant to such relocation, and shall toll until the relocated System achieves commercial operation of such new location. Such amended agreement shall be*

deemed to be a continuation of this Agreement without termination. In addition, Purchaser shall be obligated to provide a new executed and notarized easement agreement covering the substitute premises in form and content substantially similar to the Easement Agreement. Purchaser shall also provide any new consents, estoppels, or acknowledgments reasonably required by Financing Parties in connection with the substitute premises.

- b. **Costs of Relocation.** Purchaser shall pay all costs associated with relocation of the System, including all costs and expenses incurred by or on behalf of Seller in connection with removal of the System from the Facility and installation and testing of the System at the substitute facility and all applicable interconnection fees and expenses at the substitute facility, as well as costs of new title search and other out-of-pocket expenses connected to preserving and refiling the security interests of Seller's Financing Parties in the System. In addition, Purchaser shall pay Seller an amount equal to the sum of (i) payments that Purchaser would have made to Seller hereunder for electric energy that would have been produced by the System during the relocation; (ii) revenues that Seller would have received with respect to the System under the any rebate program and any other assistance program with respect to electric energy that would have been produced during the relocation; (iii) revenues from Environmental Attributes that Seller would have received with respect to electric energy that would have been produced by the System during the relocation; and (iv) Tax Credits that Seller (or, if Seller is a pass-through entity for tax purposes, Seller's owners) would have received with respect to electric energy that would have been produced by the System during the relocation. Determination of the amount of energy that would have been produced during the relocation shall be based, during the first Contract Year, on the estimated levels of production and, after the first Contract Year, based on actual operation of the System in the same period in the previous Contract Year, unless Seller and Purchaser mutually agree to an alternative methodology. "Contract Year" means the twelve-month period beginning at 12:00 AM on the Commercial Operation Date or on any anniversary of the Commercial Operation Date and ending at 11:59 PM on the day immediately preceding the next anniversary of the Commercial Operation Date, provided that the first Contract Year shall begin on the Commercial Operation Date.
- c. **Adjustment for Insolation; Termination.** Seller shall remove the System from the vacated Facility prior to the termination of Purchaser's ownership, lease or other rights to use such Facility. Seller will not be required to restore the Facility to its prior condition but shall promptly pay Purchaser for any damage caused by Seller during removal of the System, but not for normal wear and tear. If the substitute facility has inferior Insolation as compared to the original Facility, Seller shall have the right to make an adjustment to Exhibit 1 such that Purchaser's payments to Seller are the same as if the System were located at the original Facility, increased to the extent necessary to compensate Seller for reduced revenues from Environmental Attributes and reduced Tax Credits that Seller (or, if Seller is a pass-through entity for tax purposes, Seller's owners) receive as a result of the relocation. If Purchaser is unable to provide such substitute facility and to relocate the System as provided, any early termination will be treated as a default by Purchaser.

12. **Removal of System at Expiration.**

Upon the expiration or earlier termination of this Agreement (provided Purchaser does not exercise its purchase option), Seller shall, at its expense, remove all of its tangible property comprising the System from the Facility on a mutually convenient date, but in no event later than one-hundred and twenty (120) days after the expiration of the Term. Excluding ordinary wear and tear, the Facility shall be returned to its original condition, except for the removal of System mounting pads or other support structures permanently affixed to Purchaser's buildings where such removal would compromise the building's water proofing. In no case shall Seller's removal of the System affect the integrity of Purchaser's roof, which shall be as leak proof as it was prior to removal of the System and shall be flashed and/or patched to existing roof specifications. Seller shall not be obligated to remove any below grade structures, including foundations and conduits, or any roads. Seller shall leave the Facility in neat and clean order. If Seller fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser shall have the right, at its option, to remove the System to a public warehouse and restore the Facility to its original

condition (other than ordinary wear and tear) at Seller's cost. Purchaser shall provide sufficient space for the temporary storage and staging of tools, materials and equipment and for the parking of construction crew vehicles and temporary construction trailers and facilities reasonably necessary during System removal.

13. **Measurement.** Seller shall install one or more meter(s), as Seller deems appropriate, at or immediately before the Delivery Point to measure the output of the System. Such meter shall meet the general commercial standards of the solar photovoltaic industry or the required standard of the Utility. Seller shall maintain the meter(s) in accordance with industry standards. Seller may provide a remote accessible data logging and reporting system during the Term to enable Seller to remotely record the amount of electric energy generated by the System. During such time the monitoring and/or reporting system ceases to function, but not longer than 180 days, Seller may reasonably estimate the amount of electric energy that was generated and invoice Purchaser for such amount in accordance with Section 5. Within 180 days of invoicing estimated charges, the estimated production shall be compared to actual production based on a physical reading of the on-site meter and Seller shall issue an invoice or credit, as the case may be, to correct overages or underages that occurred during the period invoices were based on estimated production.
14. **Default, Remedies and Damages.**
 - a. **Default.** *Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below shall be deemed to be the "Defaulting Party", the other Party shall be deemed to be the "Non-Defaulting Party", and each event of default shall be a "Default Event":*
 - i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("Payment Default");
 - ii. failure of a Party to substantially perform any other material obligation under this Agreement within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that such thirty (30) day cure period shall be extended (but not beyond ninety (90) days) if and to the extent reasonably necessary to cure the Default Event, if (A) the Defaulting Party initiates such cure within the thirty (30) day period and continues such cure to completion and (B) there is no material adverse effect on the Non-Defaulting Party resulting from the failure to cure the Default Event;
 - iii. if any representation or warranty of a Party proves at any time to have been incorrect in any material respect when made and is material to the transactions contemplated hereby, if the effect of such incorrectness is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
 - iv. Purchaser loses its rights to occupy and enjoy the Premises;
 - v. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect, and, if any such bankruptcy or other proceedings were initiated by a third party, if such proceedings have not been dismissed within sixty (60) days following receipt of a written notice from the Non-Defaulting Party demanding such cure; or
 - vi. Purchaser prevents Seller from installing the System or otherwise failing to perform in a way that prevents the delivery of electric energy from the System. Such Default Event shall not excuse Purchaser's obligations to make payments that otherwise would have been due under this Agreement.

b. **Remedies.**

- i. **Remedies for Payment Default.** If a Payment Default occurs, the Non-Defaulting Party may suspend performance of its obligations under this Agreement. Further, the Non-Defaulting Party may (A) at any time during the continuation of the Default Event, terminate this Agreement upon five (5) days prior written notice to the Defaulting Party, and (B) pursue any remedy under this Agreement, at law or in equity, including an action for damages.
- ii. **Remedies for Other Defaults.** On the occurrence of a Default Event other than a Payment Default, the Non-Defaulting Party may (A) at any time during the continuation of the Default Event, terminate this Agreement or suspend its performance of its obligations under this Agreement, upon five (5) days prior written notice to the Defaulting Party, and (B) pursue any remedy under this Agreement, at law or in equity, including an action for damages. Nothing herein shall limit either Party's right to collect damages upon the occurrence of a breach or a default by the other Party that does not become a Default Event. If Purchaser terminates this contract without cause prior to commencement of System installation a five thousand dollar (\$5,000) design cancellation fee shall also apply in addition to any other remedy available to Seller.
- iii. **Damages Upon Termination by Default.** Upon a termination of this Agreement by the Non-Defaulting Party as a result of a Default Event by the Defaulting Party, the Defaulting Party shall pay a Termination Payment to the Non-Defaulting Party determined as follows (the "Termination Payment"):
 - A. **Purchaser.** *If Purchaser is the Defaulting Party and Seller terminates this Agreement, the Termination Payment to Seller shall be equal to the sum of (1) reasonable compensation, on a net after tax basis assuming a tax rate of thirty-five percent (35%), for the loss or recapture of (a) the investment tax credit equal to thirty percent (30%) of the System value; (b) MACRS accelerated depreciation equal to eighty five percent (85%) of the System value, (c) loss of any Environmental Attributes or Environmental Incentives that accrue or are otherwise assigned to Seller pursuant to the terms of this Agreement (Seller shall furnish Purchaser with a detailed calculation of such compensation if such a claim is made), (d) other financing and associated costs not included in (a), (b) and (c), (2) the net present value (using a discount rate of three percent (3.00%)) of the projected payments over the Term post-termination, had the Term remained effective for the full Initial Term, (3) removal costs as provided in Section 14.b.iii.C and (4) any and all other amounts previously accrued under this Agreement and then owed by Purchaser to Seller. The Parties agree that actual damages to Seller in the event this Agreement terminates prior to the expiration of the Term as the result of a Default Event by Purchaser would be difficult to ascertain, and the applicable Termination Payment is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement. The Termination Payment shall not be less than zero.*
 - B. **Seller.** *If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser shall be equal to the sum of (1) all costs reasonably incurred by Purchaser in re-converting its electric supply to service from the Utility; (2) any removal costs incurred by Purchaser, and (3) any and all other amounts previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment shall not be less than zero.*
 - C. **Obligations Following Termination.** *If a Non-Defaulting Party terminates this Agreement pursuant to this Section 14.b, then following such*

termination, Seller shall, at the sole cost and expense of the Defaulting Party, remove the equipment (except for mounting pads and support structures) constituting the System. The Non-Defaulting Party shall take all commercially reasonable efforts to mitigate its damages as the result of a Default Event.

15. **Representations, Warranties and Covenants.**

a. **General Representations and Warranties.** *Each Party represents and warrants to the other the following as of the Effective Date:*

- i. Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership or limited liability company action, as applicable, and do not and shall not violate any law; and this Agreement is valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors' rights generally).
- ii. Such Party has obtained all licenses, authorizations, consents and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business and to execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.

b. **Purchaser's Representations, Warranties and Covenants.** *Purchaser represents and warrants to Seller the following as of the Effective Date and covenants that throughout the Term:*

- i. **License.** Purchaser has title to or a leasehold or other property interest in the Premises. Purchaser has the full right, power and authority to grant the License contained in **Section 9.a.** Such grant of the License does not violate any law, ordinance, rule or other governmental restriction applicable to Purchaser or the Facility and is not inconsistent with and will not result in a breach or default under any agreement by which Purchaser is bound or that affects the Facility. If Purchaser does not own the Premises or Facility, Purchaser has obtained all required consents from the owner of the Premises and/or Facility to grant the License and enter into and perform its obligations under this Agreement.
- ii. **Other Agreements.** Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser or the Facility is bound.
- iii. **Accuracy of Information.** All information provided by Purchaser to Seller, as it pertains to the Facility's physical configuration, Purchaser's planned use of the Facility, and Purchaser's estimated electricity requirements, is accurate in all material respects.
- iv. **Purchaser Status.** Purchaser is not a public utility or a public utility holding company and is not subject to regulation as a public utility or a public utility holding company.
- v. **Hazardous Substances.** There are no Hazardous Substances at, on, above, below or near the Premises.
- vi. **No Pool Use.** No electricity generated by the System will be used to heat a swimming pool.

16. **System and Facility Damage and Insurance.**

a. **System and Facility Damage.**

- i. **Seller's Obligations.** If the System is damaged or destroyed other than by Purchaser's gross negligence or willful misconduct, Seller shall promptly repair and restore the System to its pre-existing condition; provided, however, that if more than fifty percent (50%) of the System is destroyed during the last five (5) years of the Initial Term or during any Additional Term, Seller shall not be required to restore the System, but may instead terminate this Agreement, unless Purchaser agrees (A) to pay for the cost of such restoration of the System or (B) to purchase the System "AS-IS" at the greater of (1) the Fair Market Value of the System and (2) the sum of the amounts described in Section 14.b.iii.A(1) and Section 14.b.iii.A(3).
- ii. **Purchaser's Obligations.** If the Facility is damaged or destroyed by casualty of any kind or any other occurrence other than Seller's gross negligence or willful misconduct, such that the operation of the System and/or Purchaser's ability to accept the electric energy produced by the System are materially impaired or prevented, Purchaser shall promptly repair and restore the Facility to its pre-existing condition; provided, however, that if more than 50% of the Facility is destroyed during the last five years of the Initial Term or during any Additional Term, Purchaser may elect either (A) to restore the Facility or (B) to pay the Termination Payment and all other costs previously accrued but unpaid under this Agreement and thereupon terminate this Agreement.

b. **Insurance Coverage.** *At all times during the Term, Seller and Purchaser shall maintain the following insurance:*

- i. **Seller's Insurance.** Seller shall maintain (A) property insurance on the System for the replacement cost thereof, (B) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, (C) employer's liability insurance with coverage of at least \$1,000,000 and (iv) workers' compensation insurance as required by law.
 - ii. **Purchaser's Insurance.** Purchaser shall maintain commercial general liability insurance with coverage of at least the amount of Four Hundred Thousand Dollars (\$400,000) per occurrence for causes of action pursuant to the Maine Tort Claims Act, and will be increased from time to time, if required to meet the maximum coverage provisions of the Maine Tort Claims Act, as it may be amended, and in at least the amount of 1 million dollars (\$1,000,000) for each occurrence and 2 million dollars (\$2,000,000) in the aggregate for causes of action pursuant to federal law or State law for which immunity is not provided under the Maine Tort Claims Act.
- c. **Policy Provisions.** All insurance policies provided hereunder shall (i) contain a provision whereby the insurer agrees to give the party not providing the insurance (A) not less than ten (10) days written notice before the insurance is cancelled, or terminated as a result of non-payment of premiums, or (B) not less than thirty (30) days written notice before the insurance is otherwise cancelled or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other party.
- d. **Certificates.** Upon the other Party's request each Party shall deliver the other Party certificates of insurance evidencing the above required coverage. A Party's receipt, review or acceptance of such certificate shall in no way limit or relieve the other Party of the duties and responsibilities to maintain insurance as set forth in this Agreement.
- e. **Deductibles.** Unless and to the extent that a claim is covered by an indemnity set forth in this Agreement, each Party shall be responsible for the payment of its own deductibles.

17. **Ownership; Option to Purchase.**

- a. **Ownership of System.** Throughout the Term (except as otherwise permitted in Section 20), Seller shall be the legal and beneficial owner of the System at all times, including all Environmental Attributes (unless otherwise specified on Exhibit 1), and the System shall remain the personal property of Seller and shall not attach to or be deemed a part of, or fixture to, the Facility or the Premises. Each of the Seller and Purchaser agree that the Seller (or the designated assignee of Seller permitted under Section 20) is the tax owner of the System and all tax filings and reports will be filed in a manner consistent with this Agreement. The System shall at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code. Purchaser covenants that it will use commercially reasonable efforts to place all parties having an interest in or a mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature on the Facility or the Premises on notice of the ownership of the System and the legal status or classification of the System as personal property. If there is any mortgage or fixture filing against the Premises which could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Purchaser shall provide a disclaimer or release from such lienholder. If Purchaser is the fee owner of the Premises, Purchaser consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where the Facility is located. If Purchaser is not the fee owner, Purchaser will obtain such consent from such owner. Upon request, Purchaser agrees to deliver to Seller a non-disturbance agreement in a form reasonably acceptable to Seller from the owner of the Facility (if the Facility is leased by Purchaser), any mortgagee with a lien on the Premises, and other Persons holding a similar interest in the Premises. To the extent that Purchaser does not own the Premises or Facility, Purchaser shall provide to Seller immediate written notice of receipt of notice of eviction from the Premises or Facility or termination of Purchaser's lease of the Premises and/or Facility.
- b. **Option to Purchase.** Beginning on the sixth (6th) anniversary of the Commercial Operation Date (i.e., beginning in the seventh Contract Year), provided Purchaser is not in default under this Agreement, Purchaser shall annually have the option to purchase the Project from Seller at a price equal to the Fair Market Value of the Project at such anniversary date, plus, if applicable, a sum equal to the repayment or recapture of Applicable Solar Program or other governmental payments occasioned by the exercise of such option. Purchaser must provide a notification to Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable, and the purchase shall be complete prior to the end of the applicable Contract Year or the Initial Term or Additional Term, as applicable. Any such purchase shall be on an as-is, where-is basis, and Seller shall not provide any warranty or other guarantee regarding the performance of the System, provided, however, that Seller shall assign to Purchaser any manufacturers warranties that are in effect as of the purchase, and which are assignable pursuant to their terms.
- c. **Determination of Fair Market Value.** "Fair Market Value" means, in Seller's reasonable determination, the greater of: (i) the amount that would be paid in an arm's length, free market transaction, for cash, between an informed, willing seller and an informed willing buyer, neither of whom is under compulsion to complete the transaction, taking into account, among other things, the age, condition and performance of the System and advances in solar technology, provided that installed equipment shall be valued on an installed basis, shall not be valued as scrap if it is functioning and in good condition and costs of removal from a current location shall not be a deduction from the valuation, and (ii) for any given Contract Year, the amount set forth on Exhibit 4, Attachment A attached hereto. Seller shall determine Fair Market Value within thirty (30) days after Purchaser has exercised its option to Purchase the System. Seller shall give written notice to Purchaser of such determination, along with a full explanation of the calculation of Fair Market Value, including without limitation, an explanation of all assumptions, figures and values used in such calculation and factual support for such assumptions, figures and values. If Purchaser reasonably objects to Seller's determination of Fair Market Value within thirty (30) days after Seller has provided written notice of such determination, the Parties shall

select a nationally recognized independent appraiser with experience and expertise in the solar photovoltaic industry to determine the Fair Market Value of the System. Such appraiser shall act reasonably and in good faith to determine the Fair Market Value of the System based on the formulation set forth herein, and shall set forth such determination in a written opinion delivered to the Parties. The valuation made by the appraiser shall be binding upon the Parties in the absence of fraud or manifest error. The costs of the appraisal shall be borne by the Parties equally. Upon purchase of the System, Purchaser will assume complete responsibility for the operation and maintenance of the System and liability for the performance of the System, and Seller shall have no further liabilities or obligations hereunder.

18. Indemnification and Limitations of Liability.

- a. **General.** Each Party (the “Indemnifying Party”) shall defend, indemnify and hold harmless the other Party and the directors, officers, shareholders, partners, members, agents and employees of such other Party, and the respective affiliates of each thereof (collectively, the “Indemnified Parties”), from and against all loss, damage, expense, liability and other claims, including court costs and reasonable attorneys’ fees (collectively, “Liabilities”) resulting from any third party actions relating to the breach of any representation or warranty set forth in Section 15 and from injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein shall require the Indemnifying Party to indemnify the Indemnified Party for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnified Party. This Section 18.a however, shall not apply to liability arising from any form of hazardous substances or other environmental contamination, such matters being addressed exclusively by Section 18.c.
- b. **Notice and Participation in Third Party Claims.** The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a “Claim”), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys’ fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party shall settle any Claim covered by this Section 18.b unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party shall have no liability under this Section 18.b for any Claim for which such notice is not provided if that the failure to give notice prejudices the Indemnifying Party.
- c. **Environmental Indemnification.** Seller shall indemnify, defend and hold harmless all of Purchaser’s Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance (as defined in Section 18.c.i) to the extent deposited, spilled or otherwise caused by Seller or any of its contractors or agents. Purchaser shall indemnify, defend and hold harmless all of Seller’s Indemnified Parties from and against all Liabilities arising out of or relating to the existence at, on, above, below or near the Premises of any Hazardous Substance, except to the extent deposited, spilled or otherwise caused by Seller or any of its contractors or agents. Each Party shall promptly notify the other Party if it becomes aware of any Hazardous Substance on or about the Premises or the Premises generally or any deposit, spill or release of any Hazardous Substance.

- i. **"Hazardous Substance"** means any chemical, waste or other substance (A) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (B) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (C) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (D) the storage, use, handling, disposal or release of which is restricted or regulated by any Governmental Authority, or (E) for which remediation or cleanup is required by any Governmental Authority.

d. **Limitations on Liability.**

- i. **No Consequential Damages.** Except with respect to indemnification for third party claims pursuant to this **Section 18** and damages that result from the willful misconduct of a Party, neither Party nor its directors, officers, shareholders, partners, members, agents and employees subcontractors or suppliers shall be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature arising out of their performance or non-performance hereunder even if advised of such. The Parties agree that (1) in the event that Seller is required to recapture any Tax Credits or other tax benefits as a result of a breach of this Agreement by Purchaser, such recaptured amount shall be deemed to be direct and not indirect or consequential damages, and (ii) in the event that Seller is retaining the Environmental Attributes produced by the System, and a breach of this Agreement by Purchaser causes Seller to lose the benefit of sales of such Environmental Attributes to third parties, the amount of such lost sales shall be direct and not indirect or consequential damages.
- ii. **Actual Damages.** Except with respect to indemnification for third party claims pursuant to **Section 18** and damages that result from the willful misconduct of Seller, Seller's aggregate liability under this Agreement arising out of or in connection with the performance or non-performance of this Agreement shall not exceed the total payments made (or, as applicable, projected to be made) by Purchaser under this Agreement. The provisions of this **Section 18.d.ii** shall apply whether such liability arises in contract, tort (including negligence), strict liability or otherwise. Any action against Seller must be brought within one (1) year after the cause of action accrues.

19. **Force Majeure.**

- a. *"Force Majeure" means any event or circumstances beyond the reasonable control of and without the fault or negligence of the Party claiming Force Majeure. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any Governmental Authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any Governmental Authority (provided that such action has been timely requested and diligently pursued); unavailability of electricity from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from the failure of the Party claiming Force Majeure to have exercised reasonable diligence); and failure of equipment not utilized by or under the control of the Party claiming Force Majeure.*
- b. *Except as otherwise expressly provided to the contrary in this Agreement, if either Party is rendered wholly or partly unable to timely perform its obligations under this Agreement because of a Force Majeure event, that Party shall be excused from the performance affected by the*

Force Majeure event (but only to the extent so affected) and the time for performing such excused obligations shall be extended as reasonably necessary; provided, that: (i) the Party affected by such Force Majeure event, as soon as reasonably practicable after obtaining knowledge of the occurrence of the claimed Force Majeure event, gives the other Party prompt oral notice, followed by a written notice reasonably describing the event; (ii) the suspension of or extension of time for performance is of no greater scope and of no longer duration than is required by the Force Majeure event; and (iii) the Party affected by such Force Majeure event uses all reasonable efforts to mitigate or remedy its inability to perform as soon as reasonably possible. The Term shall be extended day for day for each day performance is suspended due to a Force Majeure event.

- c. *Notwithstanding anything herein to the contrary, the obligation to make any payment due under this Agreement shall not be excused by a Force Majeure event that solely impacts Purchaser's ability to make payment.*
- d. *If a Force Majeure event continues for a period of one-hundred and twenty (120) days or more within a twelve (12) month period and prevents a material part of the performance by a Party hereunder, then at any time during the continuation of the Force Majeure event, the Party not claiming the Force Majeure shall have the right to terminate this Agreement without fault or further liability to either Party (except for amounts accrued but unpaid).*

20. **Assignment and Financing.**

- a. **Assignment.** This Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Seller may, without the prior written consent of Purchaser, (i) assign, mortgage, pledge or otherwise collaterally assign its interests in this Agreement and the System to any Financing Party, (ii) directly or indirectly assign this Agreement and the System to an affiliate or subsidiary of Seller, (iii) assign this Agreement and the System to any entity through which Seller is obtaining financing or capital for the System and (iv) assign this Agreement and the System to any person succeeding to all or substantially all of the assets of Seller (provided that Seller shall be released from liability hereunder as a result of any of the foregoing permitted assignments only upon assumption of Seller's obligations hereunder by the assignee). In the event of any such assignment, the Seller shall be released from all its liabilities and other obligations under this Agreement. However, any assignment of Seller's right and/or obligations under this Agreement, shall not result in any change to Purchaser's rights and obligations under this Agreement. Purchaser's consent to any other assignment shall not be unreasonably withheld if Purchaser has been provided with reasonable proof that the proposed assignee (x) has comparable experience in operating and maintaining photovoltaic solar systems comparable to the System and providing services comparable to those contemplated by this Agreement and (y) has the financial capability to maintain the System and provide the services contemplated by this Agreement in the manner required by this Agreement. This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees.
- b. **Financing.** The Parties acknowledge that Seller may obtain construction and long-term financing or other credit support from one or more Financing Parties. "Financing Parties" means person or persons providing construction or permanent financing to Seller in connection with construction, ownership, operation and maintenance of the System, or if applicable, means, if applicable, any person to whom Seller has transferred the ownership interest in the System, subject to a leaseback of the System from such person. Both Parties agree in good faith to consider and to negotiate changes or additions to this Agreement that may be reasonably requested by the Financing Parties; provided, that such changes do not alter the fundamental economic terms of this Agreement. In connection with an assignment pursuant to Section 20.a(i)-(iv), Purchaser agrees to execute any consent, estoppel or acknowledgement in form and substance reasonably acceptable to such Financing Parties.

- c. **Successor Servicing.** The Parties further acknowledge that in connection with any construction or long term financing or other credit support provided to Seller or its affiliates by Financing Parties, that such Financing Parties may require that Seller or its affiliates appoint a third party to act as backup or successor provider of operation and maintenance services with respect to the System and/or administrative services with respect to this Agreement (the "Successor Provider"). Purchaser agrees to accept performance from any Successor Provider so appointed so long as such Successor Provider performs in accordance with the terms of this Agreement.

21. **Confidentiality and Publicity.**

- a. **Confidentiality.** If either Party provides confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copyrighted or trademarked information, and/or technical information regarding the design, operation and maintenance of the System or of Purchaser's business ("Confidential Information") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information regarding the facilities or plans of the other, the receiving Party shall (a) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (b) refrain from using such Confidential Information, except in the negotiation and performance of this Agreement, including but not limited to obtaining financing for the System. Notwithstanding the above, a Party may provide such Confidential Information to its, officers, directors, members, managers, employees, agents, contractors and consultants (collectively, "Representatives"), and affiliates, lenders, and potential assignees of this Agreement (provided and on condition that such potential assignees be bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information). Each such recipient of Confidential Information shall be informed by the Party disclosing Confidential Information of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. In any event, each Party shall be liable (with respect to the other Party) for any breach of this provision by any entity to whom that Party improperly discloses Confidential Information. The terms of this Agreement (but not its execution or existence) shall be considered Confidential Information for purposes of this Section 21.a, except as set forth in Section 21.b. All Confidential Information shall remain the property of the disclosing Party and shall be returned to the disclosing Party or destroyed after the receiving Party's need for it has expired or upon the request of the disclosing Party. Each Party agrees that the disclosing Party would be irreparably injured by a breach of this Section 21.a by the receiving Party or its Representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, in the event of a breach of the provision of this Section 21.a. To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 21.a, but shall be in addition to all other remedies available at law or in equity.
- b. **Permitted Disclosures.** *Notwithstanding any other provision in this Agreement, neither Party shall be required to hold confidential any information that (i) becomes publicly available other than through the receiving Party, (ii) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena (but a receiving Party subject to any such requirement shall promptly notify the disclosing Party of such requirement to the extent permitted by applicable law), (iii) is independently developed by the receiving Party or (iv) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall cooperate with the other Party in efforts to limit the disclosure to the maximum extent permitted by law.*

22. **Goodwill and Publicity.** Neither Party shall use any name, trade name, service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of such other

Party. The Parties shall coordinate and cooperate with each other when making public announcements related to the execution and existence of this Agreement, and each Party shall have the right to promptly review, comment upon and approve any publicity materials, press releases or other public statements by the other Party that refer to, or that describe any aspect of, this Agreement. Neither Party shall make any press release or public announcement of the specific terms of this Agreement (except for filings or other statements or releases as may be required by applicable law) without the specific prior written consent of the other Party. Without limiting the generality of the foregoing, all public statements must accurately reflect the rights and obligations of the Parties under this Agreement, including the ownership of Environmental Attributes and Environmental Incentives and any related reporting rights.

23. **Miscellaneous Provisions**

- a. **Choice of Law.** *The law of the state where the System is located shall govern this Agreement without giving effect to conflict of laws principles.*
- b. **Arbitration and Attorneys' Fees.** *The Parties shall negotiate in good faith and attempt to resolve any dispute, controversy or claim arising out of or relating to this Agreement (a "Dispute") within 30 days after the date that a Party gives written notice of such Dispute to the other Party. If, after such negotiation, the Dispute remains unresolved, and if the Parties mutually agree, Disputes arising in connection with or under this Agreement, may be finally resolved by binding arbitration administered by the American Arbitration Association under its Construction Industry Arbitration Rules/Fast Track Procedures. Unless otherwise agreed in writing by the Parties, the proceedings shall be held in Cumberland County, Maine. If binding arbitration is approved by both Parties in writing, any such decision rendered by the arbitrator shall be final, binding, and non-appealable. If the Parties agree, a mediator may be consulted prior to arbitration. The prevailing party in any dispute arising out of this Agreement shall be entitled to reasonable attorneys' fees and costs.*
- c. **Notices.** *All notices under this Agreement shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either party may specify in writing. Each party shall deem a document faxed, emailed or electronically sent in PDF form to it as an original document.*
- d. **Survival.** *Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement shall survive. For the avoidance of doubt, surviving provisions shall include, without limitation, **Section 15** (Representations and Warranties), **Section 8.h** (No Warranty), **Section 16.b** (Insurance Coverage), **Section 18** (Indemnification and Limits of Liability), **Section 21** (Confidentiality and Publicity), **Section 23.a** (Choice of Law), **Section 23.b** (Arbitration and Attorneys' Fees), **Section 23.c** (Notices), **Section 23.g** (Comparative Negligence), **Section 23.h** (Non-Dedication of Facilities), **Section 23.m** (Service Contract), **Section 23.n** (No Partnership) **Section 23.o** (Full Agreement, Modification, Invalidity, Counterparts, Captions) and **Section 23.q** (No Third Party Beneficiaries).*
- e. **Further Assurances.** *Each of the Parties hereto agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.*
- f. **Right of Waiver.** *Each Party, in its sole discretion, shall have the right to waive, defer or reduce any of the requirements to which the other Party is subject under this Agreement at any*

time (other than with respect to and/or relating to the obligation to make any payment due under this Agreement); provided, however that neither Party shall be deemed to have waived, deferred or reduced any such requirements unless such action is in writing and signed by the waiving Party. No waiver will be implied by any usage of trade, course of dealing or course of performance. A Party's exercise of any rights hereunder shall apply only to such requirements and on such occasions as such Party may specify and shall in no event relieve the other Party of any requirements or other obligations not so specified. No failure of either Party to enforce any term of this Agreement will be deemed to be a waiver. No exercise of any right or remedy under this Agreement by Purchaser or Seller shall constitute a waiver of any other right or remedy contained or provided by law. Any delay or failure of a Party to exercise, or any partial exercise of, its rights and remedies under this Agreement shall not operate to limit or otherwise affect such rights or remedies. Any waiver of performance under this Agreement shall be limited to the specific performance waived and shall not, unless otherwise expressly stated in writing, constitute a continuous waiver or a waiver of future performance.

- g. **Comparative Negligence.** It is the intent of the Parties that where negligence is determined to have been joint, contributory or concurrent, each Party shall bear the proportionate cost of any Liability.
- h. **Non-Dedication of Facilities.** Nothing herein shall be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party shall knowingly take any action that would subject the other Party, or other Party's facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party shall assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party's performance under this agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use all reasonable efforts to restructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller shall have the right to terminate this Agreement without further liability, and Seller shall remove the System in accordance with Section 11 of this Agreement.
- i. **Estoppel.** Either Party hereto, without charge, at any time and from time to time, within five (5) business days after receipt of a written request by the other party hereto, shall deliver a written instrument, duly executed, certifying to such requesting party, or any other person specified by such requesting Party: (i) that this Agreement is unmodified and in full force and effect, or if there has been any modification, that the same is in full force and effect as so modified, and identifying any such modification; (ii) whether or not to the knowledge of any such party there are then existing any offsets or defenses in favor of such party against enforcement of any of the terms, covenants and conditions of this Agreement and, if so, specifying the same and also whether or not to the knowledge of such party the other party has observed and performed all of the terms, covenants and conditions on its part to be observed and performed, and if not, specifying the same; and (iii) such other information as may be reasonably requested by the requesting Party. Any written instrument given hereunder may be relied upon by the recipient of such instrument, except to the extent the recipient has actual knowledge of facts contained in the certificate.
- j. **Capacity & Ancillary Services.** Seller shall be entitled to receive any payments for electric capacity (including savings in the form of reduced demand charges) or ancillary services that may become available as a result of the construction or operation of the System. Purchaser shall provide reasonable assistance to Seller in order for Seller to receive such payments, and if Purchaser is deemed to be the owner or provider of such capacity or services, Purchaser shall assign the same to Seller, provided that Seller shall be responsible for the preparation and submission of any necessary applications or other documents. If Purchaser receives any payments in respect of capacity or such services it shall promptly pay them over to Seller.

- k. **No Resale of Electricity.** Except as contemplated by the provisions of this Agreement, the electricity purchased by Purchaser from Seller under this Agreement shall not be resold, assigned or otherwise transferred to any other person without prior approval of the Seller, which approval shall not be unreasonably withheld, and Purchaser shall not take any action which would cause Purchaser or Seller to become a utility or public service company.
- l. **Seller Is Not A Utility.** Neither Party shall assert that Seller is an electric utility or public service company or similar entity that has a duty to provide service, is subject to rate regulation, or is otherwise subject to regulation by any governmental authority as a result of Sellers obligations or performance under this Agreement.
- m. **Service Contract.** The Parties intend this Agreement to be a “service contract” within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser will not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.
- n. **No Partnership.** No provision of this Agreement shall be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither shall be considered the agent of the other.
- o. **Full Agreement, Modification, Invalidity, Counterparts, Captions.** This Agreement, together with any Exhibits, completely and exclusively states the agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written, regarding its subject matter. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found unenforceable or invalid, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law. This Agreement may be executed in any number of separate counterparts and each counterpart shall be considered an original and together shall comprise the same Agreement. The captions or headings in this Agreement are strictly for convenience and shall not be considered in interpreting this Agreement.
- p. **Forward Contract.** The transaction contemplated under this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.
- q. **No Third Party Beneficiaries.** Except for assignees, and Financing Parties permitted under **Section 20**, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto and shall not imply or create any rights on the part of, or obligations to, any other Person.
- r. **Bonding.**
- i. **Performance bond liability.** Any performance bond issued for a site or system will cease one (1) year from the completion of construction. If a warranty or guarantee is provided under the terms of this Agreement, the balance of any warranty or guarantee beyond one year term of the applicable performance bond shall continue to be guaranteed solely by Seller under the terms of this Agreement. The performance bond does not guarantee any property restorative requirements.
- ii. **Payment bond liability.** Any payment bond issued will cease at the termination of any time required by law.

- iii. **Performance Guarantee.** Neither payment bonds, whether for labor or materials, nor performance bonds are applicable to any specified performance guarantee.

Exhibit 4
Attachment A
Termination Payment

Contract Year	Termination Payment Amount	Fair Market Value
1	Section 14.b.iii.A	
2	Section 14.b.iii.A	
3	Section 14.b.iii.A	
4	Section 14.b.iii.A	
5	Section 14.b.iii.A	
6	Section 14.b.iii.A	
7	Section 14.b.iii.A	\$99,559
8	Section 14.b.iii.A	\$93,574
9	Section 14.b.iii.A	\$87,431
10	Section 14.b.iii.A	\$81,126
11	Section 14.b.iii.A	\$74,655
12	Section 14.b.iii.A	\$68,015
13	Section 14.b.iii.A	\$61,203
14	Section 14.b.iii.A	\$54,215
15	Section 14.b.iii.A	\$47,046
16	Section 14.b.iii.A	\$39,693
17	Section 14.b.iii.A	\$32,151
18	Section 14.b.iii.A	\$24,416
19	Section 14.b.iii.A	\$16,482
20	Section 14.b.iii.A	\$8,345
After Year 20	Fair Market Value	Fair Market Value

End of Exhibit 4

Exhibit 5
Form of Memorandum of License

NOTICE OF GRANT OF INTEREST IN REALTY

Notice is hereby given that pursuant to a Solar Power Purchase Agreement between the parties listed below, dated as of [] (the "**Solar Agreement**"), such Solar Agreement includes the grant of License to Seller, pursuant to the terms of the Solar Agreement. This notice may be executed in counterparts by the Parties to the Solar Agreement.

Parties to the Agreement:

Seller: ReVision Investments, LLC
 c/o ReVision Energy, LLC
 142 Presumpscot St.
 Portland, ME 04103

Purchaser: Town of Mount Desert, ME
 21 Sea St.
 PO Box 248
 Northeast Harbor, ME 04662

Date of Execution of Solar Agreement: []

Description of Premises: See **Exhibit 5, Attachment A**

TERM OF AGREEMENT:

The term of the Agreement shall be until the last day of the calendar month in which the twentieth (20th) anniversary of the Commercial Operation Date (as that term is defined in the Agreement) occurs, subject to any Additional Terms or early termination pursuant to the terms of the Agreement.

[signature pages follow]

Exhibit 5
Attachment A

Description of the Premises

[Insert Description from Purchaser's Deed]

IN WITNESS WHEREOF, this License Agreement has been executed and delivered under seal on this _____ day of _____, 20__ .

GRANTOR:

By: _____
Print Name: _____
Title: _____

STATE OF _____ :
ss.
COUNTY OF :

Be it Remembered, that on this ____ day of _____, 20__, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____, who acknowledged him/herself to be _____ of _____, and that he/she as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission expires:

GRANTEE:

By: _____
Print Name: _____
Title: _____

STATE OF _____ :
ss.
COUNTY OF :

Be it Remembered, that on this ____ day of _____, 20__, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____, who acknowledged him/herself to be _____ of _____, and that he/she as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission expires:

[FOR FORM PURPOSES ONLY – DO NOT EXECUTE]

End of Exhibit 5

Exhibit 6
Easement Agreement

This EASEMENT AGREEMENT (this “**Agreement**”) is made and entered into this ____ day of _____, 20__ (the “**Effective Date**”), by and between the Town of Mount Desert (“Grantor”), a municipality with a mailing address of 21 Sea St., PO Box 248, Northeast Harbor, Maine 04662 and ReVision Investments, LLC (“Grantee”), a Maine Limited Liability Company with a mailing address of 142 Presumpscot St., Portland, Maine 04103.

Recitals

A. Grantor is the owner of those certain parcels or tracts of ground located in the Town of Mount Desert, County of Hancock, and State of Maine, and more particularly described by metes and bounds on **Attachment A** attached hereto and incorporated herein (all of which parcels or tracts of ground are referred to herein as the “**Premises**”).

B. Grantor and Grantee entered into a certain Solar Power Purchase Agreement (the “**Solar Agreement**”) pursuant to which the Grantee has agreed to design, construct, install, operate and maintain a certain solar photovoltaic system on the Premises (the “**System**”) for the purpose of providing electric energy to portions of the facilities or facility (the “**Facility**”) located on the Premises.

C. Grantor desires to grant to Grantee the rights described herein for the purposes of designing, installing, operating, maintaining and removing the System on and from the Property.

Agreement

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements set forth below, and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged and confirmed by Grantor, Grantor and Grantee hereby agree as follows:

1. **Grant of Easement.** Grantor hereby grants and conveys unto Grantee, its successors and assigns, a non-exclusive easement for the period of time set forth herein, across, over, under and above the Facility in order to construct, install, alter, protect, repair, maintain, replace, operate, maintain and remove the System, including any related interconnection equipment and any facilities or equipment appurtenant thereto as Grantee may from time to time require. Grantor also hereby grants and conveys unto Grantee all other easements across, over, under and above the Property as reasonably necessary to provide access to and services reasonably required for Grantee’s performance under the Solar Agreement. The easements granted hereunder shall run with and burden the Property for the term of this Agreement.
2. **Term.** This Agreement shall be for a period commencing on the Effective Date and expiring on the date that is the earlier of (a) the thirtieth (30th) anniversary of the Effective Date, and (b): one hundred twenty (120) days following expiration of the term of the Solar Agreement, and (c) earlier termination of the Solar Agreement due to default by Grantee thereunder. No delay or interruption by Grantee in the use or enjoyment of any right or easement hereby granted shall result in the loss, limitation or abandonment of any of the right, title, interest, easement or estate granted hereby.
3. **Obstructions.** In addition to the rights afforded Grantee under the Solar Agreement, Grantee may from time to time remove structures, trees, bushes, or other obstructions within such portions of the Facility, and may level and grade such portions of the Property, to the extent reasonably necessary to carry out the purposes set forth herein; provided that Grantor gives its prior written consent to such removal, leveling or grading, such consent not to be unreasonably withheld, delayed or conditioned. Grantor covenants for itself, its heirs, successors and assigns that:

- a. Grantor will not build or place, or allow to be built or placed, any structure or obstruction of any kind within such portions of the Facility on which is located any portion of the System, including any related interconnection equipment; and
 - b. if such a structure or obstruction is built or placed within any portion of the Facility on which is located any portion of the System, including any related interconnection equipment, Grantor will remove the same at the request of the Grantee at no cost to the Grantee. Grantee may erect a fence on such portions of the Property or the Facility on which any portion of the System, are located in order to exclude Grantor and others from accessing such areas provided that Grantor gives its prior written consent, such consent not to be unreasonably withheld, delayed or conditioned.
4. **Reservation of Rights.** Grantor reserves the right to use or authorize others to use the Property and the Facility in any manner not inconsistent with or which will not unreasonably interfere with the rights granted herein, provided, however, that Grantor shall not, nor shall permit others to, disturb the System, including any related interconnection equipment, , in any way without prior written approval of the Grantee.
5. **Title.** Grantor represents and warrants to Grantee that (a) Grantor holds fee simple title to the Premises, free and clear of all liens and any other encumbrances, and (b) no lien or other encumbrance to which the Premises is subject would reasonably be expected to adversely impact Grantee's rights hereunder or under the Solar Agreement. Grantor further represents and warrants to Grantee that Grantor has the right to execute and deliver this Agreement and to grant to Grantee the easements and other rights hereunder, and that such grant does not, and will not, violate or breach Grantor's organizational documents, any law, rule or regulation, or any contract, agreement or arrangement to which Grantor is a party or by or to which any of Grantor's assets or properties, including the Premises or the Facility, is bound or subject. In the event that, after the date of this Agreement, Grantor duly grants a mortgage for additional value (the "**Subsequent Mortgage**"), Grantor shall, prior to and as a condition to the effectiveness of such grant of a mortgage, cause the mortgagee under the Subsequent Mortgage to execute and deliver to the Grantee an agreement, in customary form and in form and substance reasonably acceptable to Grantee, acknowledging the subordination of the Subsequent Mortgage to the grant of the easement pursuant to this Agreement (the "**Subordination Agreement**").
6. **Recordation; Possession.** This Agreement may be recorded against the Property by Grantee at Grantee's sole cost and expense. Grantor covenants and agrees, for itself and its assigns and successors, that the Grantee shall be entitled to exercise its rights under this Agreement upon execution and delivery of this Agreement by the Parties hereto, whether or not this Agreement is recorded.
7. **Governing Law.** This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of Maine, without regard to conflicts of law principles.
8. **Severability.** All provisions of this Agreement are severable and the invalidity or unenforceability of any provision shall not affect or impair the validity or enforceability of the remaining provisions.
9. **Binding Effect; Successors and Assigns.** Grantee shall have the right to assign, apportion, or otherwise transfer any or all of its rights, benefits, privileges, and interests arising in this Agreement in accordance with the terms of the Solar Agreement. Without limiting the generality of the foregoing, the rights and obligations of the Parties shall inure to the benefit of and be binding upon their respective successors and assigns. This Agreement may be amended, modified or terminated only by written instrument, executed and acknowledged by the Parties hereto.
10. **Headings.** The headings used herein are for convenience only and are not to be used in interpreting this Agreement.

11. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to the subject matter hereto and supersedes any prior written or oral agreements with respect to the matters described herein.
12. **Amendments; Acknowledgments.** Grantor shall cooperate in amending this Agreement from time to time to include any provision that may be reasonably requested by Grantee's lender, any assignee of rights under this Agreement, or the lender of any assignee hereunder.
13. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed the original, but which together shall constitute one and the same instrument.

[signature pages follow]

Exhibit 6
Attachment A

Description of the Premises and Facility

[Insert Description from Purchaser's Deed]

IN WITNESS WHEREOF, this Easement Agreement has been executed and delivered under seal on this _____ day of _____, 20__.

GRANTOR:

By: _____
Print Name: _____
Title: _____

STATE OF _____ :
ss.
COUNTY OF _____ :

Be it Remembered, that on this ____ day of _____, 20__, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____, who acknowledged him/herself to be _____ of _____, and that he/she as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission expires:

GRANTEE:

By: _____
Print Name: _____
Title: _____

STATE OF _____ :
ss.
COUNTY OF _____ :

Be it Remembered, that on this ____ day of _____, 20__, before me, a Notary Public in and for the State and County aforesaid, personally appeared _____, who acknowledged him/herself to be _____ of _____, and that he/she as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission expires:

Appendix C.1 (Article 24; warrant pg. 14)

<i>CT#:</i> _____	<i>TEDOCS #:</i> _____
	<i>CSN#:</i> _____

**STATE OF MAINE DEPARTMENT OF TRANSPORTATION
MUNICIPAL PARTNERSHIP AGREEMENT**

WIN 021928.10

REGARDING

**ROUTE 3 HIGHWAY REHABILITATION PROJECT, TOWN OF MOUNT
DESERT**

This Cooperative Agreement (AGREEMENT) is entered into by and between the MAINE DEPARTMENT OF TRANSPORTATION ("MaineDOT"), an agency of state government with its principal administrative offices located on Child Street, Augusta, Maine, and the **TOWN OF MOUNT DESERT** ("MUNICIPALITY"), a municipality in the State of Maine with offices located at 21 Sea Street, P.O. Box 248, Northeast Harbor, ME.

WHEREAS,

MOUNT DESERT shall perform **A HIGHWAY REHABILITATION PROJECT ON ROUTE 3** (the "Project"). The work will consist of full depth pavement reclamation with HMA overlay, road shoulder reconstruction, and drainage improvements (the "Work"). **MOUNT DESERT** estimates the cost of this project at \$1,000,000.00

MOUNT DESERT SHALL:

- A. Shall procure all contracts for and oversee the Project on **Route 3** for the Work outlined above.
- B. Cause such Work to be performed in accordance with a design by an engineer licensed in the State of Maine. The Licensed Engineer shall provide a certification to the Municipality and to MaineDOT that, in his/her professional opinion, the Project as designed will provide a smooth ride, not reduce the safety, mobility or structural quality of the state [state aid] road. All design documents must be stamped and signed in accordance with this provision by the Professional Engineer.

- C. Agree to secure all necessary Federal, State and Local permits necessary to complete the Work. **MOUNT DESERT** also agrees to secure any needed property rights in accordance with all applicable State and Federal Law.
- D. Agree that any exceptions to State Design Standards shall be documented as part of this process. This documentation shall compare the new design to the existing conditions for each of the exceptions to current design standards. Any such exceptions shall be displayed on the cover sheet for the Project plans with the signature and PE stamp of the engineer responsible for the design of the Project.
- E. Be responsible, within the Project limits, for the following:
 - a. Ensuring that the safety of the corridor and the life of the resulting structural and design elements are equal to or better than existing conditions and design;
 - b. Ensuring that the structures, roadways and/or design features affected by the Project work shall, at a minimum, be of equal dimensions to the existing features or structures and shall be of improved quality in terms of materials and utility;
 - c. Ensuring that the Project does not introduce any unanticipated safety hazards to the traveling public;
 - d. Ensuring that the Project retains the same level of mobility or improves mobility of travel within the corridor;
 - e. Ensuring that the Project does not in any manner decrease the life expectancy of this component of Maine's transportation system; and,
 - f. Ensuring that the Project meets the most recent standards of Americans with Disabilities Act of 1990 (ADA) design requirements.
- F. Provide certification through their Engineer to MaineDOT that the Project is complete and was constructed as designed.
- G. Ensure that construction shall commence within EIGHTEEN (18) months and shall be certified complete within THIRTY SIX (36) months of execution of this agreement. **MOUNT DESERT** may forfeit the unpaid balance of this grant if these deadlines are not met or they cannot demonstrate earnest and good faith efforts to meet them.
- H. Be responsible for, or cause its contractors to be responsible for, all damage to public or private property of any kind, resulting from any act, omission, neglect or

misconduct of **MOUNT DESERT** or its contractors, including damage to vehicles passing through the Project limits.

- I. Bear all risk of loss relating to the Project and the Work regardless of cause.

MAINEDOT SHALL:

- A. **Provide a maximum of \$500,000.00 in State funds supporting the Work stated above.** Reimbursement will be made by the Department at a minimum of 1/3 project completion upon receipt of supporting cost documentation from the Municipality. Payments will be made per Appendix A attached. The Department's Region Engineer shall review the costs and certify their eligibility prior to reimbursement of Municipal Partnership Initiative Funds. Payment by MaineDOT Municipal Partnership Initiative funds shall not exceed **\$500,000.00** or 50% of the actual costs incurred and paid by the Municipality.

TOWN OF MOUNT DESERT and MaineDOT agree to function within all applicable laws, statutes, regulations, and AGREEMENT provisions; avoid hindering each other's performance; fulfill all obligations diligently; and cooperate in achievement of the intent of this AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT in duplicate effective on the day and date last signed.

TOWN OF MOUNT DESERT

Dated: _____

By:

Durlin Lunt
Town Manager

**STATE OF MAINE
DEPARTMENT OF TRANSPORTATION**

Dated: _____

By:

David Bernhardt, PE
Commissioner

APPENDIX A
PROJECT SCOPE AND COST SHARING
MAINE DEPARTMENT OF TRANSPORTATION

Municipal Partnership Initiative Project

MUNICIPALITY OF Mount Desert

PROPOSED IMPROVEMENTS TO: Route 3

STATE PROJECT IDENTIFICATION NUMBER (WIN) 21298.10

Project Scope: Highway Rehabilitation Project

Funding Outline: The Total Project Estimated Cost is \$1,000,000.00, and the Parties agree to share costs through all stages of the Project under the terms outlined below.

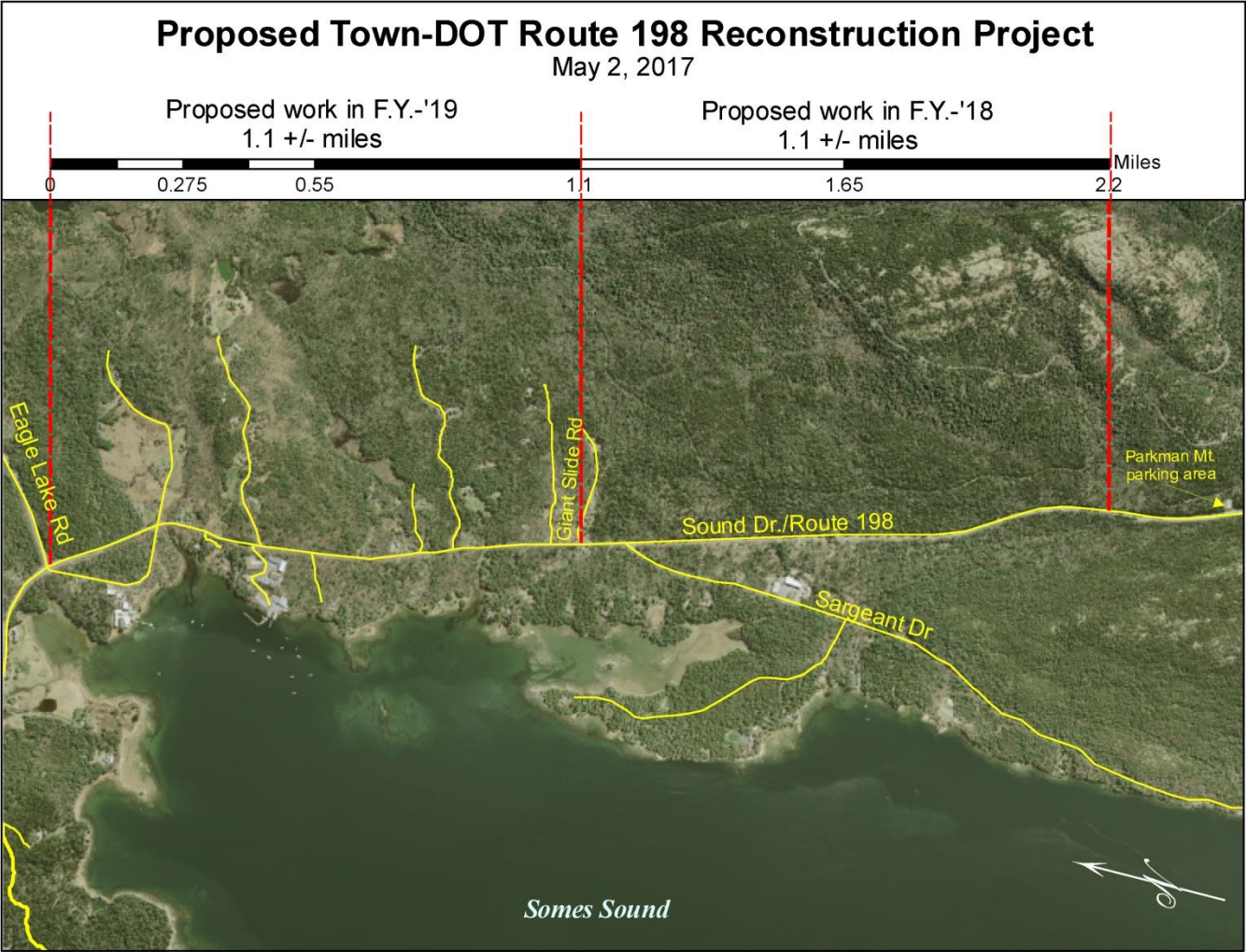
Work Element	Municipal Share		State Share		Total Cost
	%	\$	%	\$	\$
Project Costs	50	500,000.00	50	500,000.00	1,000,000.00
PROJECT SHARES					
Total Cost of Additional Work above agreement estimate	100%				
TOTAL ESTIMATED MUNICIPAL REIMBURSEMENT		1,000,000.00			

REIMBURSEMENT SCHEDULE:

Upon 1/3 project completion the municipality may begin invoicing the Department. Preferred invoicing interval is 1/3, 2/3, final, the Department will accept monthly invoices after 1/3 project completion with a maximum invoice submittal not to exceed 5 invoices.

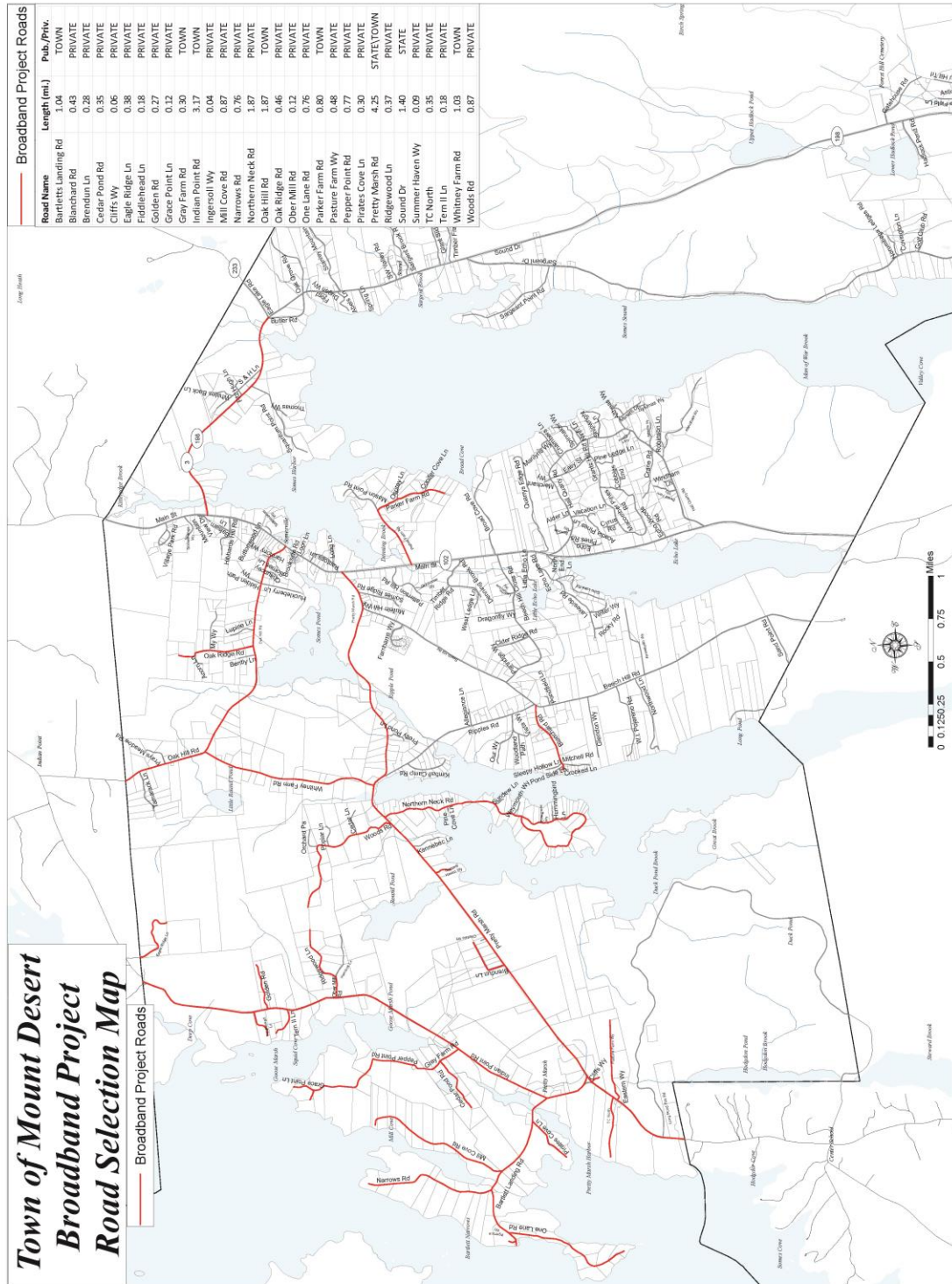
DESIGN EXCEPTIONS REQUIRED: ☐ YES ☒ NO

Design exceptions where required for this project. Please see attached approval from MaineDOT Chief Engineer outlining design exceptions.



Appendix D (Article 28; warrant pg. 18)

Mount Desert Broadband Project



The Town of Mount Desert is seeking funding approval for a project that would provide High

Speed Broadband Internet service, (including cable television and telephone service), to the below described area of Mount Desert. Most importantly, this project would bring High Speed Broadband Internet service into an unserved area of the Town. The area to be addressed in this project is truly a “last-mile” project. The proposed Broadband expansion project will involve 23 miles of combined fiber optic and coaxial cable passing 325 potential customers at a cost to the town not to exceed \$350,000.

The total cost of the project will not exceed \$700,000, with Charter Communications contributing the balance toward construction. (The actual cost to the Town could be as low as \$250,000; engineering and design will be finalized once the project is approved)

Chances of any internet provider establishing services to this area without outside financial assistance are very unlikely because the area does not meet minimum the density requirements to achieve a reasonable rate of return.

1. A description of the geographic area proposed to be served:

This project would involve approximately 23 miles of new construction, passing 325 homes in the Pretty Marsh and surrounding area of Mount Desert. The proposed roads include:

Bartlett Landing Rd, Blanchard Rd, Brendun Ln, Cedar Pond Rd, Cliffs Way, Eagle Ridge Ln, Fiddlehead Ln, Golden Rd, Grace Point Ln, Gray Farm Rd, Indian Point Rd, Ingersoll Way, Mill Cove Rd, Narrows Rd, Northern Neck Rd, Oak Hill Rd, Oak Ridge Rd, Ober Mill Rd, One Lane Rd, Parker Farm Rd, Pasture Farm Way, Pepper Point Rd, Pirates Cove Ln, Ridgewood Ln, Summer Haven Way, TC North, Tern II Ln, Whitney Farm Rd, Woods Rd, Sound Dr, Pretty Marsh Rd

2. A description of the proposed project:

- a. The Town of Mount Desert has entered into a public/private collaboration with Charter Communications to extend broadband and other services into the propose extension area.
- b. The technology will consist of a hybrid fiber optic/coax infrastructure consistent with Charter’s cable plant throughout the state. The build will consist of a fiber optic connection to existing fibers, and termination to a distribution node location. Fiber Optic and/or coaxial cable will provide the service to the home or business.

Residential Broadband speeds will be up to 100Mbps Download and 10Mbps Upload. Upon request TWC Business Class can customize broadband speeds up to 1Gps symmetrical, utilizing a fiber to the premises technology.

- c. The project will bring the service to the poles along the roads and lanes described above. The homeowner will be responsible for any installation costs from the distribution cable installed along the roads/lanes to their residences.
- d. The project is expected be completed within a year of Town meeting approval: Charter will apply for all applicable pole permits and applications and will complete the project within six (6) months of receipt of required pole attachment

approvals and completion of make-ready. It is anticipated that make-ready by pole owners will take approximately six (6) months

3. Cost of the Project:

The total estimated amount of the project is \$750,000 – Charter will contribute funds toward this project; the amount of match by Charter will be approximately half of the total cost. The Town's cost will not exceed \$350,000.

4. Scope of the project:

With the expansion of service to the 325 households along the 23 miles of road, 100% of all homes and businesses passed will have the ability to purchase services including broadband from TWC. These services would include but not be limited to residential and business class, broadband, television, and telephone service.

5. Support for this project:

Over the past several years community interest and support for establishing reliable broadband service to this area has been extremely high. The residents of the proposed service area have been extremely supportive of this effort. This effort will be a large step in the Town's desire to have 100% broadband coverage.

6. A description of the provider's experience relevant to the proposed project:

Charter Communications and its predecessors have provided service in Mount Desert for many years. Charter is the largest internet provider in Maine and the 2nd largest cable service provider in the country. In Maine, Charter provides over 600,000 homes with access to cutting-edge technology.

The residents of this area have been working for the past several years with Charter, and the local community, to obtain high-speed Internet for the unserved areas of the Town.

The Town will work in collaboration with Charter for this project. Charter has extensive experience in the design, installation, and maintenance of broadband infrastructure. Charter Communications is a national company with approximately 1,000 employees in Maine who will ensure that the needed infrastructure meets the needs of all stakeholders involved.

Appendix E (Article 57; warrant pg. 27)

Estimated Tax Rate

2017-2018 ESTIMATED TAX RATE				
	Proposed F.Y. 2017-2018	Budget Last Year F.Y. 2016-2017	Increase / (Decrease)	% Change
Municipal Budget (a)	\$9,240,947	\$9,037,965	\$202,982	2.20%
Less Projected Revenues (b)	\$1,460,770	\$1,531,162	(\$70,392)	-4.82%
Net Municipal Budget	\$7,780,177	\$7,506,803	\$273,374	3.51%
Elementary School (c)	\$3,790,149	\$3,668,533	\$121,616	3.21%
High School (d)	\$2,896,907	\$2,920,173	(\$23,266)	-0.80%
Hancock County Tax (e)	\$865,972	\$805,932	\$60,040	6.93%
Total	\$16,793,975	\$16,432,603	\$361,372	2.15%
Amount To Be Raised	\$15,333,205	\$14,901,441	\$431,764	2.82%
Estimated Taxable Valuation (f)	\$2,054,546,535	\$2,066,063,935	-\$11,517,400	-0.56%
Estimated 2017-2018 Tax Rate	\$7.50	\$7.27	\$0.23	3.07%

2017-2018 ESTIMATED TAX RATE / OVERLAY				
Est. 2017-2018 Valuation times mill rate of	\$7.50	\$15,409,099	2016-2017 Tax Rate	\$7.27 per \$1,000
2017-2018 amount to be raised		\$15,333,205	2017-2018 Tax Rate	\$7.50 per \$1,000
Estimated Overlay		\$75,894	% Increase In Tax Rate	3.07%

Each \$0.10 on the tax rate raises \$205,500

To Reduce Mill Rate by:	\$0.10	Requires either reducing	\$205,500
	\$0.20	spending or increasing	\$411,000
	\$0.30	revenues by some	\$616,500
	\$0.40	combination thereof.	\$822,000
	\$0.50		\$1,027,500
	\$0.60		\$1,233,000
	\$0.70		\$1,438,500
	\$0.80		\$1,644,000
	\$0.90		\$1,849,500
	\$1.00		\$2,055,000

- (a) = Current Version of Budget
 (b) = 2017-2018 Projected Revenue
 (c) = Elementary School Budget
 (d) = High School Budget
 (e) = Hancock County Budget
 (f) = Estimate of taxable value does not include added value of new construction yet to be assessed

2017 MUNICIPAL PROPERTY TAX LEVY LIMIT WORKSHEET

Municipality: MOUNT DESERT, ME Contact Person*: KYLE AVILA Phone Number: (207)276-5531

* The Contact Person should be able to answer clarifying questions about the reported information.

The following two pages show how to calculate your municipality's property tax levy limit. Completing these pages is not mandatory, but doing so will help ensure that your municipality complies with Maine law on the rate of property tax increases. Information on new property, appropriations, and deductions should be collected from the assessor and the valuation book before completing these pages.

Calendar Year Municipalities - For communities with "calendar year" budgets, the use of the term 2016 refers to the budget year that ended at the end of 2016 or early 2017. The use of the term 2017 refers to the budget year that will end at the end of 2017 or in early 2018.

Fiscal Year Municipalities - For communities with "fiscal year" budgets, the use of the term 2016 refers to the July 1, 2015 to June 30, 2016 budget year. The use of the term 2017 refers to the July 1, 2016 to June 30, 2017 budget year.

LAST YEAR'S (2016) MUNICIPAL PROPERTY TAX LEVY LIMIT

This is the portion of 2016 property tax revenue used for municipal services.

- If last year the municipality committed LESS THAN or EQUAL TO the limit, enter last year's **limit** on Line 1 below.
- If last year the municipality voted to EXCEED the limit ONCE (just last year), enter last year's **limit** on Line 1 below.

1. LAST YEAR'S MUNICIPAL PROPERTY TAX LEVY LIMIT

\$7,506,803

OR

- If last year the municipality voted to INCREASE the limit PERMANENTLY, complete Steps A-D below. The information needed for this calculation is on the *Municipal Tax Assessment Warrant*, filed in the Valuation Book.

A. Last year's Municipal Appropriations (Line 2, 2016 *Municipal Tax Assessment Warrant*) _____

B. Last year's Total Deductions (Line 11, 2016 *Municipal Tax Assessment Warrant*) _____

C. If necessary, enter any revenue included in Total Deductions that paid for non-municipal appropriations, such as schools. (If all deductions paid for municipal appropriations, enter "0".) \$ _____

D. Add Lines A and C, and subtract Line B. Enter result on Line 1 above.

CALCULATE GROWTH LIMITATION FACTOR

- Each municipality's Growth Limitation Factor is based on local property growth and statewide income growth.

2. Total New Taxable Value of lots (splits), buildings, building improvements, and personal property first taxed on April 1, 2016 (or most recent year available)

\$20,349,100

3. Total Taxable Value of Municipality on April 1, 2016 (or most recent year available)

\$2,066,063,935

4. Property Growth Factor

(Line 2 divided by Line 3)

0.0098

5. Income Growth Factor

(provided by Office of Policy and Management)

0.0284

6. Growth Limitation Factor

(Line 4 plus Line 5)

0.0382

7. Add 1 to the Growth Limitation Factor calculated in Line 6.

1.0382

(For example, if Line 6 is 0.0362, then enter 1.0362 on Line 7.)

2017 MUNICIPAL PROPERTY TAX LEVY LIMIT WORKSHEET

2017 MUNICIPAL PROPERTY TAX LEVY LIMIT WORKSHEET

CALCULATE 2016-2017 CHANGE IN REVENUE SHARING (previously "NET NEW STATE FUNDS")

- Determine if revenue sharing increased or decreased. Years refer to municipal fiscal year.

8. 2016 Municipal Revenue Sharing \$33,092
9. 2017 Estimated Municipal Revenue Sharing \$33,121
10. If Line 8 is greater than Line 9, then calculate Line 8 minus Line 9. Enter result at right; skip Line 11. \$
11. If Line 9 is greater than Line 8, then complete 11A & 11B below.
- A. Multiply Line 8 by Line 7. \$34,356
- B. Calculate Line 9 minus Line 11A. Enter result at right. \$0
- (If result is negative, enter "0".)

CALCULATE THIS YEAR'S (2017) MUNICIPAL PROPERTY TAX LEVY LIMIT

- This year's Property Tax Levy Limit is last year's limit increased by the Growth Factor and adjusted for revenue sharing.

12. Apply Growth Limitation Factor to last year's limit. (Line 1 multiplied by Line 7) \$7,793,563
13. **THIS YEAR'S MUNICIPAL PROPERTY TAX LEVY LIMIT**
- If Line 9 is greater than Line 8 (revenue sharing increased), you MUST subtract Line 11B from Line 12. This is required.
- OR If Line 9 is less than Line 8 (revenue sharing decreased), you MAY add Line 10 to Line 12. This is optional.
- Enter result at right. \$7,793,563

CALCULATE THIS YEAR'S (2017) MUNICIPAL PROPERTY TAX LEVY

- The information needed for this calculation is on the 2017 *Municipal Tax Assessment Warrant*, filed in the Valuation Book. Use estimates if necessary.

- A. This year's Municipal Appropriations (Line 2, 2017 Municipal Tax Assessment Warrant) \$9,240,947
- B. This year's Total Deductions (Line 11, 2017 Municipal Tax Assessment Warrant) \$1,460,770
- C. If necessary, enter any revenue included in Total Deductions that paid for non-municipal appropriations, such as schools. (If all deductions paid for municipal appropriations, enter "0".) 0
14. **THIS YEAR'S MUNICIPAL PROPERTY TAX LEVY** (Add Lines A and C, and subtract Line B) \$7,780,177

15. COMPARE this year's MUNICIPAL PROPERTY TAX LEVY to the LIMIT (Line 13 minus Line 14) \$13,386
- (If the result is **negative**, then this year's municipal property tax levy is greater than the limit and a vote must be taken.)

16. Did the municipality vote to EXCEED the limit ONCE (just this year)? ☐ NO ☐ YES

(Voting to exceed the limit means the municipality will calculate next year's limit based on line 13.)

If "yes", please describe why:

17. Did the municipality vote to INCREASE the limit PERMANENTLY (for current and future years)? ☐ NO ☐ YES

(Voting to increase the limit means the municipality will calculate next year's limit based on line 14.)

If "yes", please describe why:

2017 MUNICIPAL PROPERTY TAX LEVY LIMIT WORKSHEET