

**AGENDA  
SPECIAL TOWN COUNCIL MEETING  
COUNCIL CHAMBERS  
THURSDAY, JUNE 29, 2017  
4:30P.M.**

**‘This is a fragrance free building. Please help us to accommodate our co-workers and clients who are chemically sensitive to fragrances and other scented products. Thank you for not wearing perfume, aftershave, scented hand lotion, fragranced hair products, and or similar products.’**

1. Roll Call
2. ORDER #179-2017 Approval of an Agreement with Our Katahdin
3. ORDER #180-2017 Time, Place, Date and Warden of the July 11, 2017 School Validation Referendum
4. ORDER #181-2017 Processing of Absentee Ballots for the July 11, 2017 School Validation Referendum
5. ORDER #182-2017 Hours of the Registrar for the July 11, 2017 School Validation Referendum
6. Adjournment

**ORDER #179-2017**

**PROVIDING FOR: APPROVAL OF AGREEMENT**

WHEREAS, Our Katahdin is a Maine non profit corporation organized to foster community and economic development in the Katahdin region; and

WHEREAS, Our Katahdin has acquired ownership of GNP West, Inc., and GNP Holding II, LLC; and

WHEREAS, GNP West, Inc., and GNP Holding II, LLC, own real estate and other assets in Millinocket; and

WHEREAS, GNP West, Inc., and GNP Holding II, LLC, owe taxes to the Town of Millinocket and some of those obligations are secured by tax liens; and

WHEREAS, pursuant to Order #7-2017, the Council agreed to waive foreclosure of certain of the tax liens pursuant to Title 36 MRSA Section 944 and negotiate with Our Katahdin to satisfy the outstanding tax obligations and promote economic development in the community; and

WHEREAS, negotiations with Our Katahdin has resulted in a proposed agreement with the Town which provides for satisfaction of past due tax obligations and a collaborative process for economic development of the real estate of GNP Holding II, LLC, and GNP West, Inc., in the community.

NOW THEREFORE,

IT IS ORDERED that the attached Agreement is approved and the Town Manager is authorized and directed to execute the Agreement on behalf of the Town and to file the fully executed agreement with the Town Clerk.

IT IS FURTHER ORDERED that the Town Treasurer is directed to discharge the tax liens that secure tax obligations that are satisfied in accordance with the attached Agreement upon notice to the Treasurer from the Town Manager that the deeds to the Town from GNP Holding II, LLC, and GNP West, Inc., have been executed, delivered and recorded in the Penobscot County Registry of Deeds and all other conditions in the Agreement have been satisfied.

## AGREEMENT

AGREEMENT made this 4<sup>th</sup> day of July, 2017, by and between the Town of Millinocket, a municipal corporation, hereinafter the "Town", Our Katahdin, a Maine non-profit corporation, hereinafter "Katahdin", GNP Holding II, LLC, a Delaware limited liability company, hereinafter "Holding", and GNP West, Inc., a Delaware corporation, hereinafter "West".

WHEREAS, West owns certain real estate in Millinocket, Maine; and

WHEREAS, Holding owns certain real estate in Millinocket, Maine; and

WHEREAS, certain parcels of the real estate owned by West and Holding have significant economic development potential and are crucial to the economic well-being of the Town; and

WHEREAS, Holding and West are wholly owned and controlled by Katahdin; and

WHEREAS, Katahdin was formed specifically to foster community and economic development in the Katahdin Region; and

WHEREAS, Holding and West owe tax obligations to the Town; and

WHEREAS, the parties have agreed on satisfaction of certain of the tax obligations, payment of future tax obligations and collaboration on future development of real estate as provided in this Agreement.

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

### 1. REPRESENTATIONS AND WARRANTIES

- A. Katahdin represents and warrants that:
  - i. It owns all of the outstanding shares of stock of West;
  - ii. It owns all of the outstanding membership interests in Holding;
  - iii. Its ownership interest in West and Holding is unencumbered and free and clear of liens, security interests, or other encumbrances that could result in loss of its voting power in either entity or its ownership interest in either entity;

- iv. It has the authority to enter into this Agreement and the officer executing this Agreement has been duly authorized;
- v. Its assets exceed its liabilities and it is not insolvent and it has the capacity to pay its liabilities as they arise in the normal course of its business;
- vi. It will take all action necessary to ensure that Holding and West perform their respective obligations under this Agreement;
- vii. It will receive significant benefit from the performance of each party of its obligations hereunder and specifically from the satisfaction of tax obligations owed to the Town;
- viii. It is a tax exempt entity pursuant to Section 501(c)(3) of the Internal Revenue Code as determined by the Internal Revenue Service; and
- ix. It acknowledges that the Town is relying on the forgoing representations and warranties in entering into this Agreement.

B. Holding represents and warrants that:

- i. Katahdin owns all of the outstanding membership interests in Holding;
- ii. Katahdin's ownership interest in Holding is unencumbered and free and clear of liens, security interests, or other encumbrances that could result in loss of its voting power or its ownership interest in Holding;
- iii. It has the authority to enter into this Agreement and the officer executing this Agreement has been duly authorized;
- iv. Its assets exceed its liabilities and it is not insolvent and it has the capacity to pay its liabilities as they arise in the normal course of its business;
- v. It will take all action necessary to perform its obligations under this Agreement;
- vi. It will receive significant benefit from the performance of each party of its obligations hereunder and specifically it is receiving adequate compensation for its conveyance of certain of its real estate to the Town as provided in this Agreement; and
- vii. It acknowledges that the Town is relying on the forgoing representations and warranties in entering into this Agreement.

C. West represents and warrants that:

- i. Katahdin owns all of the outstanding shares of stock in West;
- ii. Katahdin's ownership interest in West is unencumbered and free and clear of liens, security interests, or other

- encumbrances that could result in loss of its voting power or its ownership interest in West;
- iii. It has the authority to enter into this Agreement and the officer executing this Agreement has been duly authorized;
  - iv. With the exception of certain obligations owed to the Internal Revenue Service, its assets exceed its liabilities and it is not insolvent and it has the capacity to pay its liabilities as they arise in the normal course of its business;
  - v. It will take all action necessary to perform its obligations under this Agreement;
  - vi. It will receive significant benefit from the performance of each party of its obligations hereunder and specifically it is receiving adequate compensation for:
    - a-its conveyance of certain of its real estate to the Town as provided in this Agreement; and
    - b-its entering into the Option Agreement attached to this Agreement as Exhibit C; and
  - vii. It acknowledges that the Town is relying on the forgoing representations and warranties in entering into this Agreement.

## 2. SATISFACTION OF TAX OBLIGATIONS

- A. Holding and West owe the amounts listed on Exhibit A for real estate and personal property taxes for the tax years ending 06/30/2015, 06/30/16 and 06/30/17.
- B. West owes past due taxes to the Internal Revenue Service which said taxes are secured by a lien (hereinafter the "IRS Lien") recorded in Book 13502 Page 78 of the Penobscot County Registry of Deeds and which encumbers all of the real estate of West in Millinocket, Maine. Katahdin and West agree to work diligently to obtain a release of the IRS Lien on the Mill Site, as defined in this Agreement, and land of West described in Exhibit B of this Agreement.

Within 30 days of discharge of the IRS Lien, Holding and West shall convey to the Town, free and clear of all encumbrances, their real estate described in Exhibit B attached hereto. All parties to this Agreement acknowledge and agree that the consideration for the conveyance is the Town entering into this Agreement, the consideration is adequate in light of the value of the land transferred, and the conveyance is not dependent on subsequent performance of obligations under this Agreement by any party.

The Town shall accept the conveyance from Holding and West in satisfaction of Holding's 2015 and 2016 tax obligations to the Town and also in satisfaction of West's 2015 and 2016 real estate and personal property tax obligations upon release of the IRS Lien.

Notwithstanding the foregoing requirement for discharge of the IRS Lien prior to the conveyance of the real estate to the Town, upon written request of the Town, Holding and West shall convey to the Town, free and clear of all encumbrances, other than the IRS Lien, their real estate described in Exhibit B attached hereto and it shall be the Town's responsibility to obtain a discharge of the IRS Lien concerning the land conveyed to the Town.

- C. West has requested a refund from the State of Maine under the BETR tax program for the tax year ending June 30<sup>th</sup> 2015. Katahdin and West agree to work diligently to obtain a refund under the BETR program.

Upon receipt of a refund under the BETR program, West agrees, to the extent funds are available from the refund in excess of \$130,000.00 to pay to the Town the then outstanding balance due for the 2017 tax obligations of Holding and West to the Town. If West does not received a refund from Maine Revenue Services, Holding and West shall pay the taxes due for the 2017 tax obligations of Holding and West to the Town.

The Town acknowledges that whether West is entitled to a refund under the BETR tax program as well as the amount of the refund is being litigated with the State of Maine and whether West receives a refund under the BETR tax program is dependent on outcome of the litigation.

- D. Holding and West shall pay the real estate taxes for the tax year 2018 and future tax years when due.
- E. Katahdin, Holding and West acknowledge that the Town will continue to file tax liens to secure unpaid taxes to the same extent that it does for all of its taxpayers.

### 3. ECONOMIC REDEVELOPMENT COMMITTEE

- A. Katahdin and the Town agree to work together to foster economic development of the real estate of West located at One Katahdin Avenue in Millinocket and being the site of the former paper mill,

hereinafter the 'Mill Site'. The Mill Site is described in Exhibit A of Exhibit C attached to this Agreement. The goal of the parties shall be economic development which results in capital investment and job creation on the Mill Site.

- B. In order to foster economic development at the Mill Site, Katahdin agrees to form an economic redevelopment committee, hereinafter the "Committee". The Committee shall consist of seven members appointed by Katahdin and Katahdin agrees to appoint three individuals nominated by the Town. Appointments to the Committee shall be made within 14 days of the effective date of this Agreement and the organizational meeting of the Committee shall be held within 21 days of the effective date of this Agreement.
- C. The Committee shall be a committee of Our Katahdin and subject to the policies and procedures of Our Katahdin and not a committee or agency of the Town.
- D. All economic development proposals concerning the Mill Site received by the parties shall be referred to the Committee for evaluation and recommendation for further action including financial or technical assistance.
- E. Authorized representatives of the Committee shall, upon request, meet with and report to the Town Council concerning the Committee's activities. Such meetings shall be in executive session in accordance with Title 1 MRSA Section 405.6.C and/or E, if appropriate.
- F. The parties agree that the Mill Site shall not be leased, sold, contracted for lease or sale, encumbered or conveyed after the date of this Agreement unless approved by the Committee. The parties have a mutual goal of keeping the Mill Site asset in the hands of the people of the Town of Millinocket and the Katahdin region. Katahdin and West agree that the Mill Site shall not be sold to a third-party during this Term of this agreement for any purpose other than to locate the third-party business directly on the site to create jobs and tax revenue. Katahdin and West will make every effort to lease land before selling any land, though Katahdin and West recognize that companies may need to consider purchasing land in order to obtain necessary financing and other support that is required to launch their business successfully on the Mill Site. Katahdin and West agree that every effort will be made to sell only the smallest parcel of land required to allow the third-party company to build and reasonably expand its operations.

- G. West agrees to execute and record a memorandum of this Agreement in the Penobscot County Registry of Deeds to provide public notice that the Mill Site, other than as provided herein, shall not be transferred or encumbered without the approval of the Committee and that certain of West's real estate is subject to the Option attached hereto as Exhibit C.

#### 4. OBLIGATIONS OF KATAHDIN

- A. Katahdin, in consideration of the Town's agreement to accept the conveyance from Holding and West in satisfaction of the tax obligations of Holding and West as set forth in Paragraph 2, agrees to the obligations in this Agreement as well as in this Paragraph 4.
- B. Katahdin shall provide economic development services to the Town and the Committee over the next three years with an approximate value of \$1,170,000.00. The value of the services to be performed is based on Katahdin's directors (Sean Dewitt, Michael Faloon, Anthony Foster, Michael Osborne, Nancy DeWitt and Michael Seile, Jr.) volunteering to work for Katahdin on economic development issues related to the Mill Site an average of 20 hours per week each week for the next three years, as well as the staff of Katahdin, West and Holdings (Michael Crowley, Lucy Van Hook, Joshua McIntyre, Raymond Streams and Paul Carney).
- C. Katahdin agrees to negotiate with the Town, upon request, concerning terms and conditions for Katahdin to provide economic development services concerning other real estate in Millinocket.
- D. In the event Katahdin can no longer provide economic development services to the Town as provided herein or ceases to move forward with development of the former paper mill site, upon request from the Town, Katahdin shall cause West to execute and deliver to the Town the Option to Purchase attached hereto as Exhibit C. West agrees to promptly execute and deliver the Option to Purchase to the Town within 30 days of receiving written notice from the Town and Katahdin to execute and deliver the Option to Purchase.
- E. Katahdin agrees to take all action necessary to ensure that Holding and West perform their obligations hereunder.

#### 5. TERM

The term of this Agreement is from July 3, 2017, to July 3, 2020. The parties agree to negotiate in good faith an extension of this Agreement in the event the Mill Site has not been redeveloped to the mutual



satisfaction of the parties prior to July 3, 2020, with a schedule to begin negotiations on January 3, 2020 to ensure ample time for all parties to consider the options moving forward.

## 6. MEDIATION

(a) In the event of any dispute, claim, question or disagreement arising from or relating to this Agreement or the breach thereof, the parties shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to the parties.

(b) If the parties do not reach such a solution within a period of thirty (30) days after such discussions are initiated in writing by either party, the parties agree that any and all disputes, claims or controversies arising out of or relating to this Agreement or the Premises shall be submitted to non-binding, voluntary mediation. Any party may commence mediation by providing the other parties with a written request for mediation, setting forth the subject of the dispute and the relief requested. The parties will cooperate with one another in selecting a mediator, and in scheduling the mediation proceedings.

(c) If the parties cannot agree upon a mediator, the parties hereby agree that they shall appoint the American Arbitration Association as a mediation body, and shall implement its Commercial Mediation Rules.

(d) All offers, promises, conduct and statements, whether oral or written, made in the course of the settlement and mediation process by either of the parties, their agents, employees, experts and attorneys, and by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties; provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its disclosure during settlement or mediation efforts.

(e) During the pendency of the settlement and mediation process, the parties agree to forebear from filing or otherwise proceeding with litigation. If the agreement of the parties to use mediation breaks down and a later application for an injunction is made, the parties will not assert a defense of laches or statute of limitations, based upon the time spent on mediation.

(f) Either party may initiate litigation with respect to the matters submitted to mediation at any time following the initial mediation session or ninety (90) days after the date of filing the written request for mediation, whichever occurs first. The mediation may continue after the commencement of litigation if the parties so desire.

(g) The provisions of this Paragraph 4 may be enforced by any court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the party against whom enforcement is ordered.

## 7. MISCELLANEOUS

(a) If any date herein set forth for the performance of any obligation by a party, or for the delivery of any instrument or notice as herein provided, should be a Saturday, Sunday or legal holiday, the compliance with such obligation or delivery shall be deemed acceptable on the next day which is not a Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the State Maine for observance thereof.

(b) In the event any legal proceeding should be brought to enforce the terms of this Agreement or for breach of any provision of this Agreement, the non-prevailing party shall reimburse the prevailing party for all reasonable costs and expenses of the prevailing party (including but not limited to its attorney's fees and disbursements).

(c) This Agreement shall apply to and bind the heirs, executors, administrators, successors and permitted assigns of the respective parties.

(d) This Agreement embodies the entire agreement and understanding of the parties and there are no further or prior agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof.

(e) This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties or their respective successors or permitted assigns.

(f) The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(g) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

(h) This Agreement shall be construed in accordance with and governed by the laws of the State of Maine.

(i) Written notice from one party to the other hereunder may be delivered in hand or mailed via the U.S. Postal Service, postage prepaid, by one party to the other at the address below, and, if mailed shall be deemed delivered 3 days after depositing in the mail.

Town of Millinocket  
197 Penobscot Avenue  
Millinocket, Maine 04462

Our Katahdin  
111 Canyon Drive  
Millinocket, Maine 04462

GNP Holding II, LLC  
111 Canyon Drive  
Millinocket, Maine 04462

GNP West, Inc.  
111 Canyon Drive  
Millinocket, Maine 04462

(j) This Agreement shall be construed in accordance with the laws of the State of Maine.

(k) IN ORDER TO OBTAIN A PROMPT DETERMINATION OF RIGHTS AND REDUCE COSTS, EACH PARTY TO THIS AGREEMENT, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, HEREBY KNOWINGLY, VOLUNTARILY AND MUTUALLY WAIVE ANY AND ALL RIGHTS SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR RELATED TO THIS AGREEMENT AND ANY RIGHTS WITH RESPECT TO THIS AGREEMENT.

In Witness Whereof, the parties have executed this Agreement as of the date first above written as a sealed instrument.

Witness:

Town of Millinocket

\_\_\_\_\_  
Harold Davis, Town Manager

Our Katahdin

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GNP Holding II, LLC

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GNP West, Inc.

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Exhibit B

**Land of GNP Holding II, LLC**

**A portion of the property conveyed to GNP Holding II, LLC by deed of GNP West, Inc. dated November 16, 2011 and recorded in the Penobscot Registry of Deeds in Book 12657, Page 247 and being a portion Parcel 6 in that deed further described as follows:**

FIRST PARCEL:

That portion of Lot 79 in the Town of Millinocket bounded and described as follows:

Bounded on the north and east by Millinocket Municipal Airport Runway 16-34;

On the south by the south line of Lot 79;

On the west by the easterly bound of Medway Road, so-called, and the westerly line of Lot 79.

EXCEPTING and RESERVING the portion of the premises reserved in the deed from Great Northern Paper, Inc. to Katahdin Paper Company LLC in Book 8702, Page 146 and described in Exhibit B of that deed as "Reserved Parcel Two: Airport Properties".

SECOND PARCEL:

The portion of Lot 79 which lies northerly of Millinocket Municipal Airport runway 11-77 bounded on the north by the north line of Lot 79; On the east by the east line of said Lot and on the south by said runway 11-77.

**Land of GNP West, Inc.**

**A portion of the property conveyed to GNP West, Inc. by deed of Katahdin Paper Company, LLC dated September 28, 2011 and recorded in the Penobscot Registry of Deeds in Book 12608, Page 46 and being a portion of Parcel Twelve in that deed further described as follows:**

That portion of Lot 83 in the Town of Millinocket bounded and described as follows:

**FIRST PARCEL:**

Bounded on the north by the north line of Lot 83 and south bound of land now or formerly of Katahdin Forest Management LLC (Book 10584, Page 265);

On the east by the easterly line of Lot 83;

On the south by the northerly bound of the Medway Road, so-called;

On the west by the easterly line of Millinocket Municipal Airport Runway 16-34.

SUBJECT TO the easement conveyed to Katahdin Forest Management by deed of Katahdin Paper Company LLC recorded in the Penobscot Registry of Deeds in Book 10584, Page 265.

EXCEPTING AND RESERVING the portion of the above described premises conveyed to Michael W. Merry and Rebecca L. Merry by deed of Great Northern Nekoosa Corporation dated September 19, 1985 and recorded in said Registry in Book 3783, Page 342.

**SECOND PARCEL:**

Also hereby conveying the portion of said Lot 83 lying southwesterly of Millinocket Municipal Airport Runway 16-34 and northeasterly of Medway Road. Said lot is bounded and described as follows:

Bounded on the north and east by the southwesterly bound of Millinocket Municipal Airport Runway 16-34;

On the south and west by Medway Road, so-called;

On the north by the north line of Lot 83.

**EXHIBIT C**  
**OPTION TO PURCHASE**

This Agreement is entered into between the **TOWN OF MILLINOCKET**, a municipal corporation with an address of, 197 Penobscot Avenue, Millinocket, Maine 04462 (hereinafter referred to as "**Optionee**") and **GNP WEST, INC.**, a Delaware corporation with a mailing address of 111 Canyon Drive, Millinocket, Maine 04462, (hereinafter referred to as "**Optionor**").

WHEREAS, Optionor is the owner of certain real estate in Millinocket, Penobscot County, Maine described on Schedule A attached hereto;

WHEREAS, Optionor has agreed to grant Optionee the right to purchase the real estate described in Schedule A on the terms and conditions in this Option.

NOW THEREFORE the Optionor and Optionee agree as follows:

1. EFFECTIVE DATE. This instrument has been signed by Optionor on \_\_\_\_\_, 2017 and shall be effective from the date of its signing.
2. PROPERTY. This real estate subject to this Option is in Millinocket, Penobscot County, Maine and is more fully described on Schedule A attached hereto and includes any and all rights, easements, permits, improvements or other appurtenances incident to the real estate (hereinafter referred to as the "Property").
3. OPTION. Optionor hereby grants to Optionee the irrevocable right and option to purchase the Property during the term of this Option. Optionor agrees not to create or suffer any encumbrance of the Property during the term of this Option.
4. TERM OF OPTION. This Option shall commence on the date of execution by Optionor and terminate on \_\_\_\_\_, 2020.
5. CONSIDERATION. The consideration for this Option is the covenants and undertakings of Optionor and Optionee in the Agreement between them to which this Option is attached as an exhibit, hereinafter the "Agreement".
6. EXERCISE OF OPTION. Optionee shall exercise this Option in accordance with the Agreement by written notice to Optionor mailed to Optionor at the address above written, or such other address as provided to Optionee as provided herein, and postmarked before the termination date.
7. PURCHASE PRICE. The purchase price of the Property shall be \$1.00.
8. PAYMENT OF PURCHASE PRICE. The purchase price for the property shall be payable to Optionor at closing.

9. OPTIONEE'S RIGHT OF INSPECTION. Optionee, through Optionee's authorized agents or representatives, shall be entitled to enter upon the Property with men and equipment at all reasonable times and upon reasonable prior notice to Optionor to inspect the Property during the term of this Option and after exercise of the Option and before the closing.

Optionee may inspect the Property with surveyors, engineers, geotechnical personal, environmental personal and consultants to determine:

- (a) the area, boundaries and configuration of the Property;
- (b) location and parameters of title encumbrances and rights of 3<sup>rd</sup> parties to use or access the Property;
- (c) compliance of the Property with current environmental rules, regulations and statutes;
- (d) compliance of the Property with land use rules, regulations and statutes;
- (e) presence of contamination of the Property by hazardous materials; and
- (f) appropriateness of the Property for future uses contemplated by Optionee.

Upon the completion of such inspections or investigations, Optionee shall promptly restore the Property to its former condition and remove all debris and other material therefrom at Optionee's expense.

With respect to the Property, Optionor shall upon request of Optionee, provide copies of all available:

- (a) survey sketches, plats and reports;
- (b) title abstracts, title opinions, and title insurance policies;
- (c) engineering or geotechnical investigations and reports;
- (d) environmental investigations and reports;
- (e) hazardous materials investigations and reports;
- (f) aerial photography of the Property;
- (g) correspondence and documents from governmental agencies concerning compliance of the Property with rules, regulations or statutes or the condition of the Property or the past, current or future use of the Property;
- (h) documents relating to any existing buildings or improvements.

Optionee may notify Optionor if the results of any such inspections or investigations are unsatisfactory to the Optionee in its sole discretion and then Optionee may, at its option, (a) terminate this Option in which case the parties shall be released from their obligations hereunder or (b) accept conveyance of the Premises and consummate the purchase of the Premises in accordance with the terms of this Option.

Optionee hereby covenants and agrees to indemnify Optionor against any loss, liability, costs, claims, damages, demands, actions, causes of action, and suits caused by the Optionee or its agents conducting the inspections under this Paragraph. This indemnity shall survive the Closing or the earlier termination of this Option.

11. TITLE. Upon exercise of the Option, Optionee will pay for any title search, title examination, or title insurance, which it may require.



If title to the property, or access to a public road, should prove defective under the Title Standards of the Maine State Bar Association or if Optionee is unable to obtain an Owners' Policy of Title Insurance, subject only to those encumbrances acceptable to Optionee in its sole discretion, from a title insurance company licensed to do business in the State of Maine, Optionee shall notify Optionor and Optionor shall have a reasonable period of time, not to exceed thirty (30) days after receipt of such notice, to cure the defects, and will, in good faith exercise due diligence to do so. Upon curing such defects, the closing will take place within a reasonable time, not to exceed fifteen (15) days after Optionee's attorney agrees that the defects have been cured and title and access to a public road is good and marketable. If the defects are not cured within the extended time, the Optionee shall have the right to either:

(a) Accept title from Optionor, notwithstanding such defects and to close this transaction in accordance with its terms and conditions; or

(b) Terminate this agreement.

With respect to determining good and marketable title concerning the Property:

(a) The Internal Revenue Service lien recorded in the Penobscot County Registry of Deeds in Book 13502 Page 78 shall not be considered an encumbrance and Optionee agrees to accept title subject to that lien if it is undischarged as of the closing date;

(b) The Option to Lease recorded in the Penobscot County Registry of Deeds in Book 14461 Page 246, and the lease contemplated by exercise of that Option, shall not be considered an encumbrance and Optionee agrees to accept title subject to that Option, or the lease contemplated therein, if the Option term has not expired as of the closing date or if the Option has been exercised and the lease contemplated thereby is in effect as of the closing.

(c) Outstanding tax liens filed by Optionee against the Property shall not be considered an encumbrance and Optionee agrees to accept title subject to those liens.

12. CLOSING. If this Option is exercised (subject to any extension of the closing date to resolve title defects), the closing shall take place at such place and time as the parties shall agree, but no later than sixty (60) days after Optionee's mailing of the Notice of Exercise of Option to Optionor. At the closing, Optionor shall execute and deliver a Quit-claim Deed with Covenant conveying the property to Optionee in fee simple, with good and marketable title thereto free and clear of all encumbrances other than as provided in this Option. The parties shall pay their respective real estate transfer taxes, and all real estate taxes for the then current fiscal year shall be prorated as of the date of closing.
13. POSSESSION. Optionee shall have possession and occupancy of the premises from and after the date of delivery of the deed.

14. NOTICES. All written notices required hereunder shall be given to Seller and Buyer at their addresses herein above written or at such other addresses as one party provides to the other during the term of this Option.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed as of the Effective Date hereinabove written.

WITNESS:

Town of Millinocket - Optionee

\_\_\_\_\_

\_\_\_\_\_  
By:  
Its:

GNP West, Inc. - Optionor

\_\_\_\_\_

\_\_\_\_\_  
By:  
Its:

## SCHEDULE A

Millinocket Mill Site, Town of Millinocket, Penobscot County, Maine

A certain lot or parcel of land with the improvements thereon, situate in the Town of Millinocket, County of Penobscot, State of Maine, more particularly described as follows:

BEGINNING at an iron rod set on the generally southerly line of State Route 11, in said Millinocket, which rod is 33 feet right of p.c. station 1349+99.71, as shown on a plan of said highway recorded in Penobscot County Registry of Deeds, Plat Book 21, Page 4;

Thence, generally easterly by and along the southerly line of said highway following a curve to the left with a radius of 1465.69 feet, an arc distance of 766.39 feet to an iron rod set;

Thence, South 47° 18' 30" East a distance of 1,550.0 feet to an iron rod set on the westerly extension of the southerly line of Oak Street in said Millinocket, as said street line is shown on plan recorded in Penobscot County Registry of Deeds, Plan Book 6, Page 44;

Thence, North 60° 54' 15" East by and along said westerly extension and by and along the southerly line of Oak Street, a distance of 1490.0 feet to the intersection of the southerly line of said Oak Street with the easterly line of Oxford Street;

Thence, North 29° 05' 45" West by and along the easterly line of Oxford Street, a distance of 710.0 feet to the southerly line of Elm Street as depicted on said plan recorded in Penobscot County Registry of Deeds, Plan Book 6, Page 44;

Thence, North 60° 54' 15" East by and along the southerly line of Elm Street, a distance of 186.0 feet to the northwesterly corner of Lot Number 13, in Book 37, as shown by said plan recorded in Penobscot County Registry of Deeds, Plan Book 6, Page 44;

Thence, South 29° 05' 45" East by and along the westerly boundaries of Lots Numbered 1 through 13, inclusive of said Block 37, and a continuation of said boundary, a distance of 664.75 feet to point on the westerly extension of the southerly line of Block 59 as said Block is shown on a plan recorded in Penobscot County Registry of Deeds, Plan Book 14, Page 21;

Thence, North 60° 54' 15" East along said extension and by and along the southerly line of said Block 59, a distance of 640.67 feet to the easterly line of Congress Street as depicted in the plan recorded in Penobscot County Registry of Deeds, Plan Book 10, Page 7;

Thence, North 29° 05' 45" West a distance of 150.0 feet to the southerly line of Cherry Street, as shown by said plan recorded in Penobscot County Registry of Deeds, Plan Book 10, Page 7;

Thence, North 60° 54' 15" East by and along the southerly line of Cherry Street, a distance of 155.6 feet to a point of curve;

Thence, southeasterly by a curve to the right with a radius of 135.0 feet, an arc distance of 218.13 feet to a point of tangency which is approximately 35 feet westerly of the easterly line of York Street as said York Street is shown on a plan recorded in Penobscot County Registry of Deeds, Plan Book 16, Page 39;

Thence, South 26° 31' 15" East, approximately paralleling the easterly line of York Street as shown by said plan, a distance of 640.1 feet to an iron rod set;

Thence, South 3° 49' 15" East, along a line westerly of and approximately paralleling the Coal Ash Road, so-called, a distance of 544.5 feet to an iron rod set;

Thence, South 87° 27' 15" East a distance of 44.3 feet to an iron bolt on northerly-most corner of the "Main Pumping Station" lot as depicted on a plan recorded in Penobscot County Registry of Deeds, Map File 569E;

Thence, southeasterly by a curve to the left in the westerly line of said lot, which curve has a radius of 128.0 feet, an arc distance of 92.17 feet to a point of tangency;

Thence, South 46° 44' 30" East by and along the westerly line of said Main Pumping Station lot, a distance of 166.0 feet to an iron bolt;

Thence, North 16° 45' 30" East by and along the southerly line of said Main Pumping Station lot, a distance of 3.6 feet to a point on a line which is generally parallel to and 105 feet easterly of the center line of the steel frame towers on the Millinocket-East Millinocket electrical transmission line;

Thence, South 54° 49' 45" East by and along said line which is generally parallel to and 105 feet easterly of the center line of the steel frame towers on the Millinocket-East Millinocket electrical transmission line, a distance of 7,317.7 feet to an iron rod set;

Thence, South 31° 52' 00" West a distance of 1,913.2 feet to an iron rod set;

Thence, continuing the same course, South 31° 52' 00" West, a distance of 381.7 feet to a point in Millinocket Stream;

Thence, South 76° 52' 00" West a distance of 225.8 feet to an aluminum disk cemented into a boulder on the westerly side of said Stream;

Thence, continuing the same course, South 76° 52' 00" West, a distance of 8,300.9 feet to an iron rod set on the westerly side of the West Branch of Penobscot River;

Thence, continuing on the same course, South 76° 52' 00" West, a distance of 315 feet, more or less, to the thread of said River as defined by An Act to Incorporate the Town of Millinocket, Chapter 377, Private and Special Laws of the State of Maine (1901);

Thence, generally northwesterly following the thread of said River as recited by said Act, a distance of 6,203 feet, more or less, to the southeasterly face of the Quakish Lake Dam;

Thence, northeasterly by the southeasterly face of said dam, a distance of 100 feet, more or less, to the southwesterly face of a concrete retaining wall on the southerly side of the inlet canal to Ferguson Lake;

Thence, southeasterly by and along the southwesterly face of said retaining wall, a distance of 244 feet, more or less, to an angle in said wall;

Thence, northeasterly by the southeasterly face of said concrete retaining wall, a distance of 30 feet, more or less, to high water line of Ferguson Lake;

Thence, in a generally easterly and northeasterly direction by and along high water line of Ferguson Lake, a distance of 8,186 feet, more or less, to the westerly end of the outlet canal from Ferguson Lake;

Thence, northwesterly across the mouth of said canal, a distance of 120 feet, more or less, to high water line of Ferguson Lake;

Thence, generally northwesterly by and along high water line of Ferguson Lake, a distance of 4,312 feet, more or less, to a point which is South  $18^{\circ} 57' 00''$  West from p.c. station 1349+99.71, as shown on a plan of said highway recorded in Penobscot County Registry of Deeds, Plan Book 21, Page 4;

Thence, North  $18^{\circ} 57' 00''$  East, a distance of 50 feet, more or less, to the point of beginning.

For the sole purpose of providing a geometrically precise description, and not to be construed as a boundary of the above-described tract, the course and distance between the iron rod defining the point of beginning and the iron rod adjacent to the southwesterly corner of the within described parcel is South  $7^{\circ} 03' 37''$  East, 9,270.1 feet. Bearings referenced herein are oriented to Grid North, Maine State Coordinate System of 1927, East Zone, as determined by a survey of the within described lot by Plisga & Day, Land Surveyors.

Together with all right, title and interest in and to the abutting streets and ways, including to the centerline of Route 11.

EXCEPTING the real property in Millinocket conveyed by Great Northern Paper, Inc. to GNE, LLC by deed dated January 31, 2002 and recorded on February 4, 2002 in the Penobscot County Registry of Deeds in Book 8063, Page 98, as affected by Corrective and Confirmatory Deed from Katahdin Paper Company LLC and Katahdin Timberlands LLC and its subsidiary Katahdin Forest Management LLC to Great Lakes Hydro America, LLC, formerly known as GNE, LLC, dated May 24, 2004 and recorded in said Registry of Deeds in Book 9349, Page 1.

EXCEPTING AND RESERVING the portions of the above described premises, and appurtenant easements, which were reserved in the deed from Great Northern Paper, Inc. to Katahdin Paper Company LLC dated April 29, 2003 and recorded in the Penobscot County Registry of Deeds in Book 8702, Page 146 and further described in Exhibit B of that deed as (1) Reserved Parcel Three: Red Liquor Parcel; (2) Reserved Parcel Four: Ash Pond Parcel; and (3) Reserved Parcel Five: Millinocket Bark Pile Parcel.

ALSO HEREBY CONVEYING the easements appurtenant to the above described premises which were conveyed in the deed from Great Northern Paper, Inc. to Katahdin Paper Company LLC dated April 29, 2003 and recorded in the Penobscot County Registry of Deeds in Book 8702, Page 146 and further described in Exhibit C of that deed as (1) Easement B in Reserved Parcel Three and Buildings (Red Liquor Parcel; (2) Easement C in Reserved Parcel Four (Ash Pond); and, (3) Easement D in Reserved Parcel Five (Millinocket Bark Parcel).

ORDER #180-2017

PROVIDING FOR: Date, Time, Place, Warden for the July 11, 2017 School Validation Referendum

IT IS ORDERED that the School Validation Referendum will be held on Tuesday, July 11, 2017 from 8:00 a.m. to 8:00 p.m. at the Stearns High School Gymnasium.; and

IT IS FURTHER ORDERED that Diana Campbell shall be Warden of said election.

Passed by the Town Council \_\_\_\_\_

Attest: \_\_\_\_\_

ORDER #181-2017

PROVIDING FOR: Processing Absentee Ballots for the July 11, 2017 School Validation Referendum

WHEREAS, Title 21-A MRSA Section 759.7 allows the Election Warden to process absentee ballots while the polls are open; and

WHEREAS, processing such ballots will assist the Election Clerks and result in an expedited process after the polls are closed; and

WHEREAS, expediting the process after the polls are closed will result in some savings to the Town of Millinocket;

NOW THEREFORE IT IS ORDERED that the Election Warden is authorized to process absentee ballots at 10:00 A.M., 2:00 P.M., 4:00 P.M., 6:00 P.M. and 8:00 P.M. during the July 11, 2017 School Validation Referendum.

Passed by the Town Council \_\_\_\_\_

Attest: \_\_\_\_\_



ORDER #182-2017

PROVIDING FOR: Office Hours of the Registrar for the July 11, 2017 School Validation Referendum

WHEREAS, Title 21-A MRSA Section 122(6) specifies the process that the Registrar must follow in registering voters; and

WHEREAS, The Town Clerk also serves as Registrar; and

WHEREAS, the Town Clerk has regular hours on four business days before election day to register voters; and

WHEREAS, being open evening hours as required by law to receive voter registrations will be an added cost to the municipality;

NOW THEREFORE IT IS ORDERED that it is not necessary that the Registrar be open to accept voter registrations for two hours in the evening between 5 P.M. and 9 P.M. on at least three days before election day.

Passed by the Town Council \_\_\_\_\_

Attest: \_\_\_\_\_