

**Amended Memorandum of Understanding  
Between  
Falmouth Memorial Library Association and Town of Falmouth**

This Amended Memorandum of Understanding is entered into this 22 day of September, 2014, by and between the Falmouth Memorial Library Association, a non-profit corporation organized under the laws of the State of Maine (hereinafter referred to as the "Library"), and the Town of Falmouth, a municipal corporation organized under the laws of the State of Maine (hereinafter referred to as the "Town") (collectively referred to herein as the "Parties").

**RECITALS**

WHEREAS, ownership of the real property and building currently occupied by the Library at 5 Lunt Road in Falmouth (the "Premises") is shared equally by the Town and the Library as tenants in common pursuant to a deed from the Library to the Town dated June 24, 1994 and recorded at the Cumberland County Registry of Deeds in Book 11627, Page 246;

WHEREAS, the Town has typically supported the operations of the Library through appropriating public funding that underwrites approximately 75% of the total Library's annual operating budget;

WHEREAS, the Parties previously entered into a Memorandum of Understanding dated December 9, 2013 (the "2013 Agreement"), a copy of the 2013 Agreement is attached as Exhibit A;

WHEREAS, for more than a decade, the Library has researched options and performed feasibility analyses to determine the need for additional square footage in order to continue to provide the level of library and programming services expected by Falmouth residents;

WHEREAS, the current facilities of the Library are insufficient to meet the needs of the residents of the Town;

WHEREAS, the Library, in order to continue providing adequate and varied services and programming to current and prospective users, wishes to renovate and expand its facility on the Premises and on the adjacent property now owned by the Library at 9 Lunt Road in Falmouth, into a new facility that will encompass not less than 16,000 square feet of interior space (the "Library Project");

WHEREAS, the Library's Board of Trustees have participated in an extensive consensus building process with the Town Council and with input from Falmouth citizens, which has culminated in an Order and Referendum Question approved by the Town Council on September 8, 2014, which requests the authority for the Town to

borrow and spend up to \$2,810,000 towards the Library Project. A copy of the Order and Referendum Question is attached hereto as Exhibit B;

WHEREAS, the Library intends to engage construction professionals, including architects, engineers, library designers and project coordinators to assist in the Library Project;

WHEREAS, there will be a "Library Construction Team" which will include Library representatives, the Town Manager or his designee, and one Town Councilor;

WHEREAS, the Library Construction Team will be primarily responsible for the design generation, development, and implementation of the Library Project, throughout each design and construction phase, and the Library will routinely provide status reports and disbursement requests to the Town Manager;

WHEREAS, the Library has committed to raise through a capital campaign and other fundraising efforts, including but not limited to private foundation, grants and individual contributions, an amount equal to or greater than 50% of the total project budget; and

WHEREAS, the Parties wish to supplement the 2013 Agreement with this Memorandum of Understanding between the Library and the Town, to clarify their respective obligations, authorities and responsibilities in connection with the Library Project.

## W I T N E S S E T H

NOW THEREFORE, based on the promises and mutual covenants contained herein, the parties agree as follows:

1. Library Project Cost: The total construction cost, inclusive of architectural, engineering, demolition, construction and site work, of the Library Project is projected to be \$5,617,678 but will be finally determined upon acceptance by the Town Manager and the President of the Library's Board of Trustees of the winning bid(s). The accepted bid(s) amount is hereinafter referred to as the "Library Project Cost."
2. Town Responsibilities:
  - a. The Falmouth Town Council will submit to the voters of the Town a referendum on the issuance of up to \$2,810,000 of the Town's general obligation bonds for the Library Project, on or before November 4, 2014, substantially in the form of the Order and Referendum Question attached

hereto as Exhibit B. Upon issuance of such Bonds, the Library shall deliver to the Town such documents and certificates relating to the use of the Library Project as the Town (or its Bond Counsel) shall reasonably request in support of the tax-exempt status of the Bonds. While the Bonds remain outstanding, the Library shall not use or permit the use of the Library Project in a manner that would adversely affect the tax-exempt status of the Bonds.

- b. The Town will be solely responsible for the payment of all Bond related expenses including issuance expenses and debt service costs (principal and interest). The term of the debt shall not exceed 20 years with an anticipated average annual interest rate of between 2.75% and 3.50%.
- c. The Town agrees to pay up to an amount not to exceed \$300,000, upon request of the Library, for the preconstruction costs of the Library Project, including architectural, engineering and other related preconstruction costs, but excluding any fundraising costs. Preconstruction costs are included in the total Library Project cost. In the event of termination of the Library Project all preconstruction expenses will be shared equally between the Parties. The Library, within a reasonable time following termination of the Library Project, not to exceed 3 months, will reimburse the Town for 50% of the preconstruction costs paid by the Town. All preconstruction costs may be included in the Bond issuance, not to exceed the total borrowing authorized by the voters.
- d. In no event shall the Town's financial responsibility for the Library Project exceed \$2,810,000.

### 3. Library Responsibilities:

- a. If the Library Project Cost is \$ 5,620,000 or less, then the Library's share shall be 50% of Library Project Cost plus 100% of the costs associated with any modification, upgrade or expansion of the Library Project, hereinafter referred to "change orders." If the Library Project Cost exceeds \$ 5,620,000 then the Library's share shall be the Library Project Cost less \$2,810,000 plus 100% of the costs associated with change orders.
- b. The Library shall be responsible for conducting a capital campaign with a fundraising goal of not less than 50% of the Library Project Cost (the "Fundraising Goal"). In the event the Library raises monies in excess of its Fundraising Goal, all excess monies raised first shall be applied to the Library Project or repayment of the Term Promissory Note dated March 25, 2014, given by the Library to the Town. Funds not used for completion of the Library Project or repayment of the Term Promissory Note will be added to the endowment of the Library.

- c. The Library Construction Team shall be responsible for managing the Library Project construction process with assistance provided by a professional construction manager/owner's representative. The Library Construction Team may authorize change orders modifying, the Library Project (as depicted in architectural plans provided by Scott Simons Associates, dated June 2014 and hereto attached as Exhibit C), provided that such change orders do not require the following: i) an amendment to the anticipated Site Plan Review permit by the Planning Board or ii) a substantial increase in the anticipated annual operating costs of the Library. Any changes that require the aforementioned items will require prior consent by the Town Council. The Library intends to remain reasonably operational and open to the public during the construction process to the extent feasible.
4. Ownership: Upon completion of the Library Project, the ownership share of the Premises shall remain owned in equal shares, 50% Library and 50% Town.
5. Library Fundraising Deadline: On or before December 31, 2016 (the "Fundraising Deadline"), and prior to execution of a construction contract for the Library Project, the Library shall submit for approval by the Town Manager documentary support, in form and substance satisfactory to the Town Manager in his sole discretion, that the Library has met its fundraising commitment of an amount equal to or greater than 50% of the Library Project Cost in the form of the following: i) cash, ii) pledges to be paid within the construction timeframe sufficient to cover at least 105% of the Library's remaining share of the Library Project Cost, after deducting amounts obtained through other fundraising sources described in this paragraph, iii) bridge loans guaranteed by the Library, iv) grants v) private and foundation giving, vi) other sources acceptable to the Town or vii) a combination of the foregoing.
6. Required Town Approvals:
  - a. Prior to the execution of the construction contract, the Library shall obtain written approval, which shall not be unreasonably withheld, from the Town Manager of final construction documents for the Library Project prior to bidding. The final construction documents shall include an agreed-upon construction budget with allowances for construction incentives;
  - b. The Library shall obtain written approval, which shall not be unreasonably withheld, from the Town Manager, upon finalization of the construction documents for the Library Project by the Library Construction Team, prior to execution of the construction contract;

- c. The Library is not restricted from presenting addendums and change orders to the approved construction documents after bids are awarded for construction, as long as the costs of same shall be the sole responsibility of the Library beyond the Town's commitment of 50% of the agreed-upon construction budget.
- 7. Draw Procedure for Town Share of Library Project Costs: The Town shall pay out its financial contribution in accordance with the following:
  - a. No more frequently than once a month, the Library shall submit draw requests to the Town's Finance Director supported by contractor and vendor invoices, lien waivers and such other material and documents as the Finance Director may reasonably request;
  - b. The Town Manager shall review and approve or disapprove draw requests within five (5) business days upon receipt of same, based upon whether the invoiced expenses were incurred as part of the Library Project and the work was satisfactorily completed;
  - c. The Town Manager shall issue payment to the Library in an amount equal to the proportional share of the Town's contribution of the total Project Cost of approved invoices up to total maximum payment (including preconstruction payments made by the Town) of \$ 2,810,000 or 50% of the total project budget (whichever is less); and
  - d. Payment by the Town will be made within 10 business days of approval of invoiced amounts.
- 8. Governing Law: This agreement shall be governed, construed and interpreted in accordance with the laws of the State of Maine.
- 9. Effect on the 2013 Agreement: Except as expressly amended by this agreement, all terms and provisions of the 2013 Agreement remain in full force and effect between the Parties.
- 10. Modification: This agreement may be modified only by written agreement signed by both Parties.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the Town and the Library have executed this Amended Memorandum of Understanding, the day and year above written.

WITNESS:

TOWN OF FALMOUTH

Melissa Guyon

By: MH 62  
Its Town Manager

WITNESS:

FALMOUTH MEMORIAL LIBRARY  
ASSOCIATION

Melissa Guyon

By: M. E. P.  
Its President of the Board of Trustees

**Memorandum of Understanding  
Between  
Falmouth Memorial Library Association and Town of Falmouth**

This document represents a Memorandum of Understanding made on the 9th day of December, 2013, between the Falmouth Memorial Library Association, a non-profit corporation organized under the laws of the State of Maine (hereinafter referred to as the "Library"), and the Town of Falmouth, a municipal corporation organized under the laws of the State of Maine (hereinafter referred to as the "Town") (collectively referred to herein as the "Parties").

**RECITALS**

WHEREAS, the Library is not a public agency or instrumentality of the Town, but does provide an important non-governmental service of benefit to the residents of the Town;

WHEREAS, the Library has provided free library services to the residents of the Town since opening in 1952;

WHEREAS, ownership of the real property and building currently occupied by the Library at 5 Lunt Road in Falmouth (the "Premises") is shared equally by the Town and the Library as tenants in common pursuant to a deed from the Library to the Town dated June 24, 1994 and recorded at the Cumberland County Registry of Deeds in Book 11627, Page 246;

WHEREAS, historically and in recent years, approximately 75% of the Library's annual operating budget has been supported by a contribution from the Town;

WHEREAS, peer public libraries in the greater Portland, Maine area historically have received between approximately 75% to 100% of their operating revenue from their respective municipalities;

WHEREAS, the Library has independent assets including Board Designated Funds, an Endowment Fund, a Land and Building Fund and Restricted and Unrestricted Funds, and regularly conducts fund-raising activities and appeals;

WHEREAS, the Parties previously entered into an Affiliation Agreement dated March 30, 1994 (the "1994 Agreement");

WHEREAS, the Parties wish to replace the 1994 Agreement with this Memorandum of Understanding between the Library and the Town, to clarify their respective obligations, authorities and responsibilities;

## WITNESSETH

NOW THEREFORE, based on the promises and mutual covenants contained herein, the parties agree as follows:

1. Library Services and Management: For the duration of this agreement, the Library shall provide reasonable customary services to the residents of Falmouth at no charge, in a manner consistent with the Library's Articles of Incorporation and Bylaws, as they may be amended from time to time, subject to adequate funding by the Town and private fundraising by the Library.

2. Use of Premises: For the duration of this agreement, both Parties agree that the Premises shall be used only for library purposes, provided, however, that this shall not preclude use of appropriate facilities within the Premises for governmental and community meetings upon reasonable conditions set by the Library. The Library may charge fees for the use of any portion of the Premises, provided that no fee shall be charged the Town for its use of the Premises for meetings.

3. Town Share of Future Operating Costs: The parties acknowledge that:

- a. The Library's annual operating budgets typically have been supported to a large extent by appropriations from the Town;
- b. In Fiscal Year 2012-2013, as in recent years, the Town underwrote approximately 75% of the Library's operating budget;
- c. Town appropriations for the Library are determined on an annual basis by the Town Council;
- d. Binding agreements regarding the precise amount of financial support to be provided to the Library from the Town in future years cannot be made in this agreement.

Nevertheless, in recognition of the above and the value of the services provided by the Library to the residents of the Town, the Town states its current intent to continue to support the Library's annual operating budget at a level at or around 75%.

4. Library's Ability to Raise Funds: In anticipation of the need for future expansion of the Library's facilities and collections and to supplement the funds provided by the Town for operational expenses, the Library has conducted, and may continue to conduct, fundraising activities. The Library has sole discretion to develop, amend and implement any investment strategies and programs for such funds, and to expend such funds in accordance with its bylaws.

5. Town's Access to the Library's Financial Records: The Parties recognize that the Library is a private non-profit corporation and is not a department of the Town



subject to direct oversight by the Town. Nevertheless, given the Town's historical level of financial support for the Library and the Parties' expectation that such support will continue, the Parties agree that it is appropriate for the Town to have a role in the oversight of the Library's finances. To further that end, the Parties agree that:

- a. The Town Council has appointed, and may continue to appoint, three (3) of the twelve (12) members of the Library's Board of Trustees, for staggered three-year terms.
- b. The Town has assigned, and shall continue to assign, a member of the Town Council to serve as liaison between the Town Council and the Library. The Town Council's liaison shall be entitled to attend all meetings of the Library's Board of Trustees, except meetings or portions of meetings conducted in executive session in accordance with the provisions of the Library's Board of Trustees' bylaws. The Town Council's liaison is not a member of the Library's Board of Trustees and is not entitled to vote on any matters pending before the Board of Trustees in his or her capacity as liaison.
- c. The Town Council shall appoint a Town Councilor or Town employee to serve as its representative on the Library Board of Trustees' Finance Committee for a term to be set by the Town Council. The Town Council's appointee shall be entitled to attend all meetings of the Finance Committee, except meetings or portions of meetings conducted in executive session in accordance with provisions of the Library's Board of Trustees' bylaws, and to receive all materials distributed to members of the Finance Committee, except materials pertaining to executive sessions. The Town Council's appointee shall not be a member of the Finance Committee and is not entitled to a vote in the Finance Committee.
- d. If requested by the Town Council, once each fiscal year, at a time before the Library's submission of its annual budget request to the Town, the Library Board of Trustees' Finance Committee and the Town Council's Finance Committee may hold a joint meeting, the purpose of which will be for the Library to provide an update on its year-to-date finances and an initial estimate of the Library's anticipated financial needs for the following fiscal year. If the Town Council desires such a meeting in any particular year, the meeting will be held at a mutually convenient date and time and shall be initiated by a request from the Town Manager to the Library Director.
- e. The Library shall continue to commission an annual audit of its financial statements, and shall forward a copy of the completed audit report each year to the Town Manager.

6. Library Capital Expenditures: Historically the Library has set aside a portion of its annual revenue into a Building Reserve Set-Aside, to be used toward necessary capital improvements and expenditures for the Premises. The Library's Board of Trustees, through its Finance and Buildings and Grounds Committees, reviews the Library's anticipated capital improvement needs over a projected period of time and determines an amount to be set aside on an annual basis to meet those anticipated needs. For all anticipated capital improvements that have been included in the set aside for the Building Reserve Set-Aside, the Library will pay the entire cost of such improvements without seeking additional reimbursement from the Town. The Parties recognize that, from time to time, there may be unanticipated capital improvements necessitated by unexpected repairs or failures in the Premises that have not been budgeted and included in the Library's Building Reserve Set-Aside. In recognition of the equal ownership of the Premises by the Town and Library, the Parties agree that they will discuss any such unanticipated capital improvements at the time they arise, to reach a mutually satisfactory arrangement for sharing those costs between the Parties.

7. Insurance: For the duration of this agreement, the Library shall keep the Premises insured against fire and other casualties in an amount sufficient to protect the Town's interest in the Premises and shall name the Town as an "additional named insured." The Library further agrees that it shall maintain general liability insurance and shall name the Town as an "additional named insured."

8. Dissolution: In the event of the Library's dissolution in accordance with its articles of incorporation and bylaws and if the Library's assets are to be sold, the Library shall have sole discretion, except as otherwise provided in this paragraph, to dispose of those assets in a manner consistent with the Library's tax exempt status under Section 501(c)(3) of the Internal Revenue Code. The Library agrees to provide at least six (6) months' notice to the Town of its intention to dissolve. If before dissolution, the Town notifies the Library that the Town Council has voted to continue to operate a library, either alone or in partnership with a non-profit organization, at the Premises for an indefinite period but in no event less than five (5) years, the Library shall transfer all its interest in its personal property, not including the balances in the "independent assets" referenced above and in any trust funds, as well as its undivided one-half (1/2) interest in the Premises to the Town without consideration. In the event that the Town Council does not vote to continue to operate a library at the Premises, the Parties agree that the premises will be transferred (a) to another organization or organizations with obligations and purposes similar to those of the Library on which the Parties agree and (b) upon terms of transfer on which the Parties agree. In the event that the Parties cannot agree upon the organization or the terms or both, the Premises will be sold in accordance with the Town's adopted procedures for the sale of real estate, with the Parties sharing equally in the proceeds of such sale and distributing those proceeds in accordance with applicable law.

9. Delegation:

- a. The Town Manager of the Town shall execute this agreement on behalf of the Town and shall be primarily responsible for carrying out the responsibilities and duties of the Town hereunder.
- b. The President of the Library's Board of Trustees shall execute this agreement on behalf of the Library and shall be primarily responsible for carrying out the responsibilities and duties of the Library hereunder.

10. Duration of Agreement: This agreement shall remain in effect for as long as both Parties have an ownership interest in the Premises, provided that the Town shall have the unilateral right to alter or to terminate its financial support of the Library upon reasonable notice to the Library. Nothing herein shall prevent the Parties from negotiating the terms for termination of this agreement by conveying its undivided one-half interest in the Premises to the other Party and, if such negotiations are unsuccessful, by filing a partition action in the Superior Court. No partition action shall be filed without providing the other Party with at least six (6) months' notice of the intent to file such action.

11. Execution: This agreement shall be binding on and for the benefit of the respective successors and assigns of both the Library and the Town. All words in this agreement shall be considered in the appropriate masculine or feminine gender, and in the appropriate singular or plural form. The Parties have participated equally in the drafting and preparation of this agreement. The Parties agree that there have been two Memoranda of Understanding signed that are identical, and that both parties have received a copy.

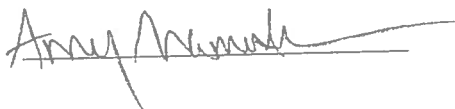
12. Governing Law: This agreement shall be governed, construed and interpreted in accordance with the laws of the State of Maine.

13. Effect on the 1994 Agreement: This agreement is intended by the Parties to replace and supersede the 1994 Agreement in its entirety.

14. Modification: This agreement may be modified only by written agreement signed by both Parties.

IN WITNESS WHEREOF, the Town and the Library have executed this Memorandum of Understanding, the day and year first above written.

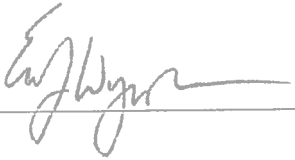
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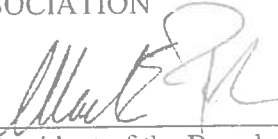
TOWN OF FALMOUTH

By:   
Its Town Manager

WITNESS:

  
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FALMOUTH MEMORIAL LIBRARY  
ASSOCIATION

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

Its President of the Board of Trustees

**Order authorizing up to \$2,810,000 of the Town's Bonds to finance one-half the cost to renovate and expand the Falmouth Memorial Library, to be matched by funds to be provided by the Falmouth Memorial Library Association through a capital campaign and other fundraising efforts**

**WHEREAS**, the Falmouth Memorial Library Association (the "Library Association") has developed plan to renovate and expand the Falmouth Memorial Library with a project cost of approximately \$5,620,000; and

**WHEREAS**, the Library Association has requested that the Town assist with the financing of such project by issuing its general obligation bonds in an amount not to exceed \$2,810,000 to pay an amount not to exceed one-half of the costs of the project, with all additional funds to be provided by the Library Association through a capital campaign and other fundraising efforts (the "Library Funds"); and

**WHEREAS**, the Town Council recognizes that issuance of such bonds would serve a valid public purpose by promoting and expanding the important public services provided by the Falmouth Memorial Library to the residents of the Town of Falmouth, and the Town Council further recognizes that without the Town's contribution to the project, said project will likely not proceed at all or will not proceed in a timely manner to the detriment of the patrons of the Library and the residents of the Town of Falmouth;

**WHEREAS**, the Town Council has further determined that no bonds authorized herein shall be issued, except to finance preliminary design, architectural and engineering costs, until the Town Manager determines that sufficient Library Funds have been collected by the Library Association such that such Library Funds together with the proceeds of the bonds authorized herein are adequate to complete the Library Project in a manner generally similar to the design, as such Library Project may be modified with the approval of the Town Council;

**NOW THEREFOR, BE IT HEREBY ORDERED THAT:**

**Pursuant to 30-A M.R.S.A. §5772, the Charter of the Town of Falmouth and all other authority thereto enabling and subject to approval of the voters of the Town of Falmouth at a referendum election to be held pursuant to Section 903 of the Town Charter, the Town Council hereby authorizes issuance of the Town's general obligation bonds in an amount not to exceed \$2,810,000, the proceeds of which, including premium, if any, and investment earnings thereon, may be used and are hereby appropriated to finance a portion of the costs of an 18,000 s.f. (approx.) addition to and the renovation, furnishing and equipping of the Falmouth Memorial Library (the "Library Project");**

**BE IT FURTHER ORDERED**

1. That the Treasurer of the Town be and hereby is authorized to prepare, issue, and sell such bonds in the name of and on behalf of the Town, in the aggregate amount of up to \$2,810,000 (the "Bonds") at one time, or from time to time, as one or more separate bond issues, and to determine the date, form, minimum denomination, interest rates (as term bonds or serial bonds or some combination thereof), maturities (with the last maturity not to exceed the maximum term permitted by law) and all other details, terms and provisions, not inconsistent herewith, including the form and

manner of their sale and award as he may approve, such approval to be conclusively evidenced by the execution thereof;

2. That the Treasurer be and hereby is authorized to borrow money in anticipation of said Bonds by the issuance and sale of notes or renewal notes in anticipation of said Bonds ("BANs"), and to determine the date, form, minimum denominations, interest rate, maturities and all other details of each issue of BANs, including the form and manner of their sale and award, subject to the provisions of the law, the Town Charter and this Order;

**3. That up to \$300,000 of such Bonds or BANs may be initially issued for preliminary design, architectural and engineering purposes, and that the balance of such Bonds or BANs (in an aggregate cumulative amount not to exceed one-half the costs of the Library Project) may not be issued until the Town Manager determines that the Falmouth Memorial Library Association has collected sufficient additional Library Funds such that such Library Funds together with the proceeds of the Bonds or BANs issued or to be issued are adequate to complete the Library Project in a manner generally similar to the design, as such Library Project may be modified with the approval of the Town Council;**

4. That the Treasurer be and hereby is authorized to provide that any of the Bonds and BANs be made subject to call for redemption, with or without premium, prior to their stated dates of maturity, as provided in 30-A M.R.S.A. §5772(6), as amended;

5. That each Bond or BAN issued hereunder shall be signed by the Treasurer, countersigned by the Chair of the Town Council, sealed with the seal of the Town, attested by its Clerk, and shall be in such form and contain such terms and provisions not inconsistent herewith as they may approve, their approval to be conclusively evidenced by their execution thereof;

6. That the Treasurer is authorized to negotiate, execute, and deliver, in the name of and on behalf of the Town such contracts, agreements, and other documents, including leases, instruments and certificates as may be necessary or appropriate as determined and approved by the Treasurer in connection with the financing of the Library Project, which documents shall be in such form and contain such terms and conditions, not inconsistent herewith, as may be approved by the Treasurer such approval to be conclusively evidenced by his execution thereof;

7. That the Treasurer be and hereby is authorized to select the underwriter for the Bonds and BANs and the Treasurer be and hereby is authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith;

8. That the Treasurer be and hereby is authorized to prepare, or cause to be prepared, a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and BANs, such Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer, with the advice of the bond counsel for the Town, and that the use and distribution of the Preliminary Official Statement and the Official Statement in the name of and on behalf of the Town in connection with offering the Bonds or BANs for sale be and hereby is approved;

9. That the Treasurer be and hereby is authorized to select the registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds and BANs and to execute and deliver such contracts and agreements as may be necessary or appropriate to secure their services;

10. That the Bonds and BANs shall be transferable only on the registration books of the Town kept by the Transfer Agent, and said principal amount of the bonds of the same maturity (but not of other maturity) in minimum denominations of \$5,000 and any integral multiple in excess thereof upon surrender thereof at the principal office of the transfer agent, with a written instrument of transfer satisfactory to the transfer agent duly executed by the registered owner or his attorney duly authorized in writing. Upon each exchange or transfer of a bond the Town and the Transfer Agent shall make a charge sufficient to cover any tax, fee or any other governmental charge required to be payable with respect to such exchange or transfer, and with respect to such exchange or transfer, and subsequent to the first exchange or transfer, the cost of preparing new bonds upon exchanges or transfer thereof to be paid by the person requesting the same;

11. That the Treasurer be and hereby is authorized to undertake all acts necessary to provide for the issuance and transfer of such Bonds or BANs in book-entry form pursuant to the Depository Trust Company Book-Entry Only System, as an alternative to the provisions of the foregoing paragraph above regarding physical transfer of Bonds or BANs, and the Treasurer be and hereby is authorized and empowered to enter into a Letter of Representation or any other contract, agreement or understanding necessary or, in his opinion, appropriate in order to qualify the Bonds or BANs for and participate in the Depository Trust Company Book-Entry Only System;

12. That the Treasurer and the Chair of the Town Council from time to time shall execute such Bonds or BANs as may be required to provide for exchanges or transfers of the Bonds and BANs, all such Bonds or BANs to bear the original signature of the Treasurer and the Chair of the Town Council, and in case any officer of the Town whose signature appears on any Bond or BAN shall cease to be such officer before the delivery of said Bond or BAN, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery thereof;

13. That if the Bonds or BANs, or any part of them, are issued on a tax-exempt basis, the Treasurer be and hereby is authorized and directed to covenant and certify on behalf of the Town that no part of the proceeds of the issue and sale of the Bonds or BANs shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Bonds or BANs to be "arbitrage bonds" or "private activity bonds" within the meaning of Sections 148 and 141 of the Internal Revenue Code of 1986, as amended;

14. That the Treasurer be and hereby is authorized and empowered to take all such action as may be necessary to designate the Bonds or BANs as qualified tax-exempt obligations for purposes of Section 265(b) of the Code; it being the Town Council's intention that the Treasurer, with advice of bond counsel, make the required Section 265(b) election with respect to such Bonds and BANs to the extent the election may be available and advisable as determined by the Treasurer.

15. That if the Bonds or BANs, or any part of them, are issued on a tax-exempt basis, the officers or officials executing the Bonds or BANs be and hereby are individually authorized to covenant and agree, on behalf of the Town, for the benefit of the holders of such Bonds or BANs, that the Town will file any required reports and take any other action that may be necessary to insure that interest on the Bonds and BANs will remain exempt from federal income taxation, and that the Town will refrain from any action that would cause interest on the Bonds or BANs to be subject to federal income taxation;

16. That the officers executing the Bonds or BANs be and hereby are individually authorized to covenant, certify and agree, on behalf of the Town, for the benefit of the holders of such Bonds or BANs, that the Town will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met;

17. That any or all of the Bonds or BANs may be consolidated with and become a part of any other issue of temporary notes or general obligation bonds authorized to be issued by any previous or subsequent order of the Town Council of the Town of Falmouth;

18. That the term "cost" or "costs" as used herein and applied to the Library Project, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Library Project; (2) the cost of construction, building, alteration, enlargement, reconstruction, renovation, improvement, and equipping of the Library Project; (3) the cost of all appurtenances and other facilities either on, above, or under the ground which are used or usable in connection with the Library Project; (4) the cost of landscaping, site preparation and remodeling of any improvements or facilities; (5) the cost of all labor, materials, building systems, machinery and equipment; (6) the cost of land, structures, real property interests, rights, easements, and franchises that may be acquired in the future in connection with the Library Project; (7) the cost of all utility extensions and site improvements and development; (8) the cost of planning, developing, preparation of specifications, surveys, engineering, feasibility studies, legal and other professional services associated with the Library Project; (9) the cost of environmental studies and assessments; and (10) the cost of financing charges and issuance costs, including premiums for insurance, interest for a period not to exceed three years from the issue date of the Bonds, and for any additional period permitted under Section 148 of the Internal Revenue Code of 1986, as amended, underwriters' fees and costs, legal and accounting fees and costs, application fees, and other fees and expenses relating to the financing transaction;

19. That the Treasurer, the Chair of the Town Council and Clerk and other proper officials of the Town be, and hereby are authorized and empowered in its name and on its behalf to do or cause to be done all such acts and things, not inconsistent herewith, as may be necessary or desirable in order to effect the issuance, sale and delivery of the Bonds or BANs;

20. That if any of the officers or officials of the Town who have signed or sealed the Bonds shall cease to be such officers or officials before the Bonds or BANs so signed and sealed shall have been actually authenticated or delivered by the Town, such Bonds or BANs nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds or BANs had not ceased to be such officer or official; and also any such Bonds or BANs may be signed and sealed on behalf of the Town by those persons who, at the actual date of the execution of such Bonds or BANs, shall be the proper officers and officials of the Town, although at the nominal date of such Bonds or BANs any such person shall not have been such officer or official;

21. That if the Treasurer, the Chair of the Town Council or Clerk are for any reason unavailable to approve and execute the Bonds or BANs or any other documents necessary or convenient to the issuance, execution and delivery of the Bonds or BANs, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had performed such act.



22. That the Bonds or BANs authorized by this Order are in addition to any bonds or notes previously authorized for the same or similar purposes;

23. That to the extent not payable from other funds, an amount sufficient for the payment of the annual payments of principal and interest on the Bonds or any BANs issued hereunder shall be included in the tax levy of each year until the debt represented by said Bonds or BANs is extinguished.

24. That during the term any of the Bonds (or bonds issued to refund such Bonds) are outstanding, the Treasurer be and hereby is authorized to issue and deliver refunding bonds to refund some or all of the Bonds then outstanding, and to determine the date, form, interest rate, maturities and all other details of such refunding bonds, including the form and manner of their sale and award. The Treasurer be and hereby is further authorized to provide that any of such refunding bonds hereinbefore authorized be made callable, with or without premium, prior to their stated date(s) of maturity, and each refunding bond issued hereunder shall be signed by the Treasurer, countersigned by the Chair of the Town Council, sealed with the seal of the Town, attested by its Clerk, and shall be in such form and contain such terms and provisions not inconsistent herewith as they may approve, their approval to be conclusively evidenced by their execution thereof.

25. That it is the intent of the Town Council that this Bond Order shall constitute the Town's declaration of official intent within the meaning of Treasury Regulation 1.150-2.

**REFERENDUM QUESTION**

Question 1:           **Shall the Order entitled, “Order authorizing up to \$2,810,000 of the Town’s Bonds to finance one-half the cost to renovate and expand the Falmouth Memorial Library, to be matched by funds to be provided by the Falmouth Memorial Library Association through a capital campaign and other fundraising efforts.” be adopted?**

**TREASURER'S STATEMENT**

The undersigned Treasurer of the Town of Falmouth hereby provides the following statement as required by 30-A MRSA §5772(2-A). As of October 31, 2014:

A. Town Debt:

1. Bonds outstanding and unpaid:	\$62,782,000
2. Bonds authorized but unissued:	\$2,000,000
3. Bonds to be issued if Question 1 is adopted:	\$2,810,000

B. Costs:

The anticipated average interest rate on the proposed bonds is between 2.75% and 3.50%. Assuming an average rate of 3.30%, and a 20 year term, the estimated cost of the new bonds will be:

Bond Principal:	\$2,810,000
Estimated Interest Cost:	970,695
<hr/>	
Total Estimated Debt Service:	\$3,780,695

C. Validity:

The foregoing represents an estimate of costs associated with the financing and such estimates will change due to market conditions. The validity of the voters’ ratification of the bonds shall not be affected by any errors in the foregoing estimates and the ratification by the voters is conclusive and the validity of the bond issue is not affected by reason of any variance of actual costs from the estimates provided above.

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Treasurer, Town of Falmouth

The Town Council recommends that Question 1 be approved.

# Overview

Falmouth Memorial Library | Schematic Site Plan June 2014

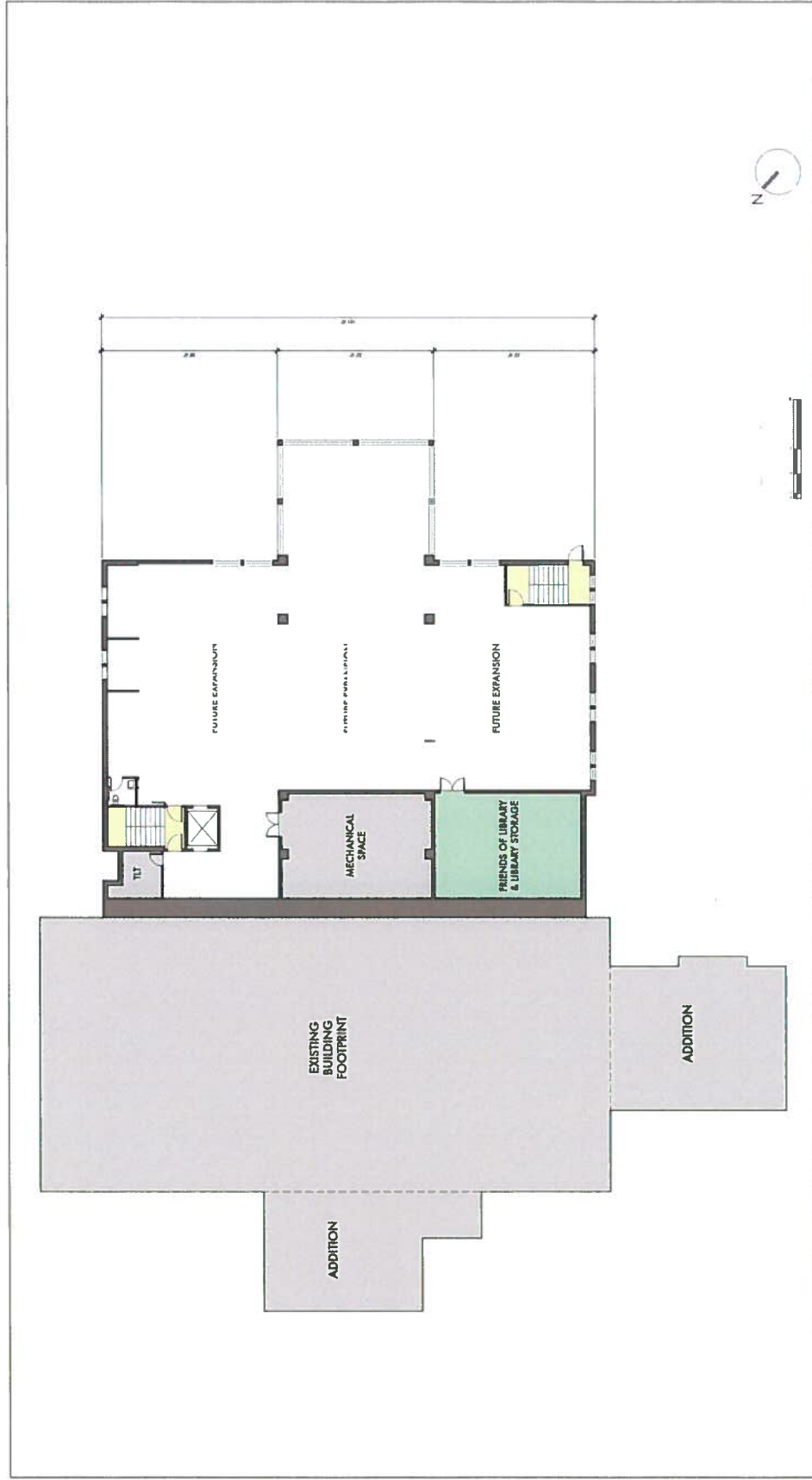


# Floor Plan

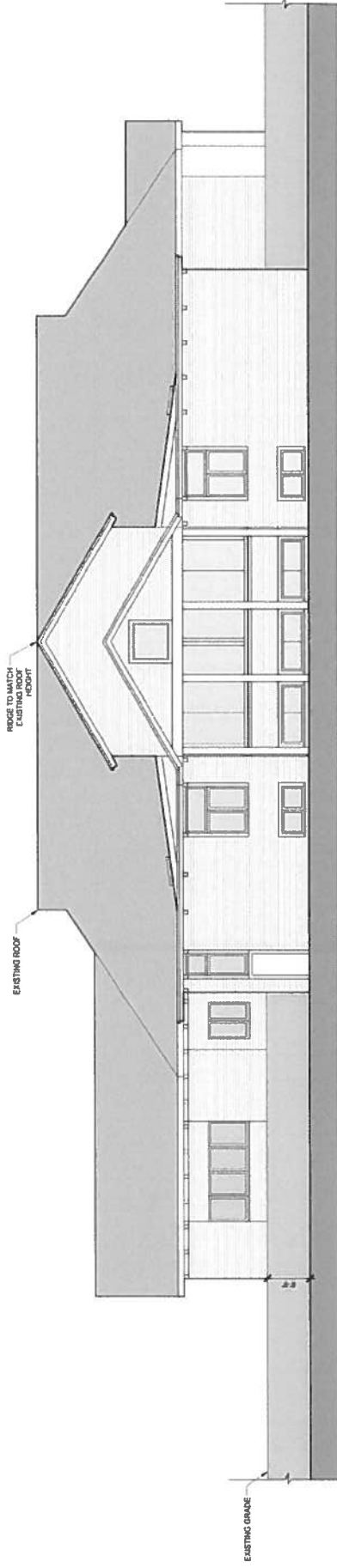


- WORKSPACE
- COLLECTION
- CIRCULATION
- SUPPORT/UTILITIES

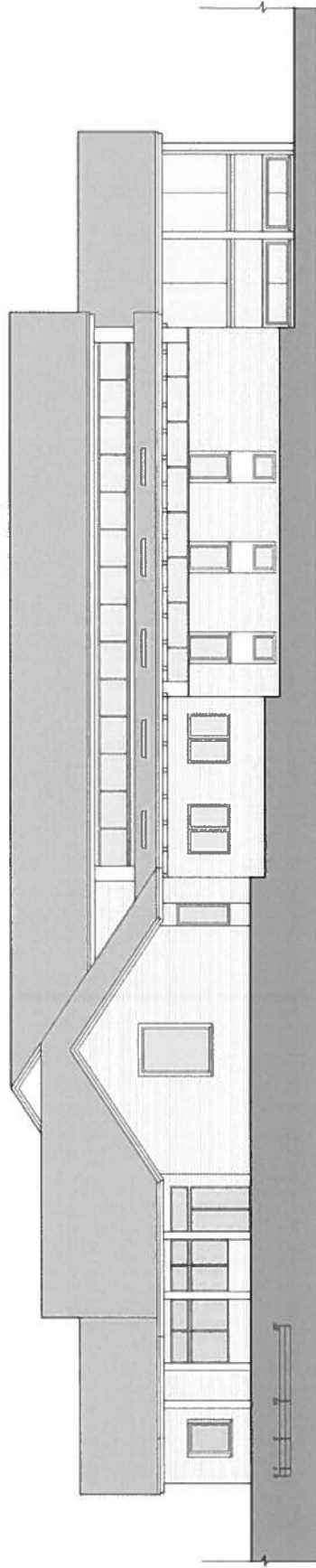
# Lower Level



# Street View

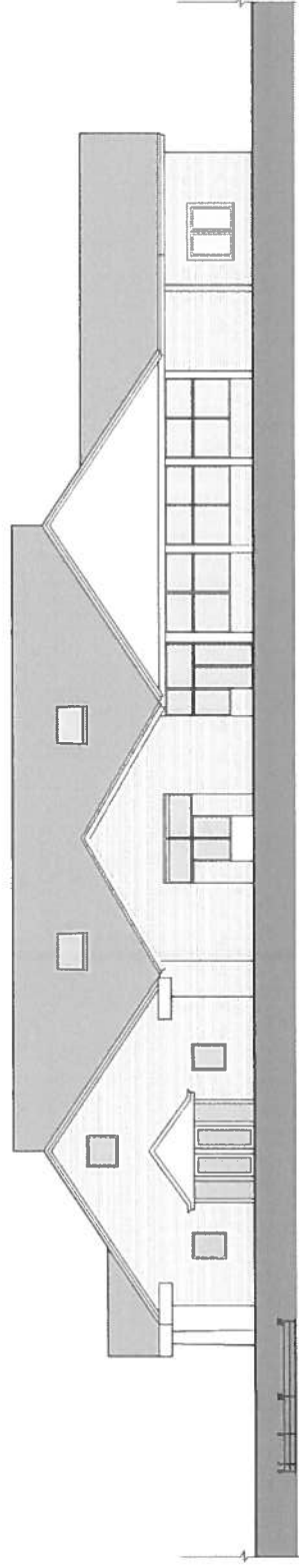


FROM INTERSECTION OF LUNT AND DEPOT ROAD



FROM LUNT ROAD

# Parking Lot View



FROM PARKING AREA