

Kent Sewer Commission
Regular Meeting

April 9, 2019
4:30 P.M. Town Hall

Present: Elissa Potts, John Casey, John Grant, Stan Jennings and Jack Nelson.

Also present: Bart Clark, Barbara Herbst, Jim Slaughter and Lyle Somers.

Ms. Potts called the regular meeting of the Kent Sewer Commission to order at 4:30 p.m.

The pledge was recited.

Mr. Casey made a motion to approve the agenda, as submitted. Mr. Jennings seconded the motion and the motion carried.

Mr. Casey made a motion to approve the Sewer Commission Regular meeting minutes of March 12, 2019, as submitted. Mr. Nelson seconded the motion and the motion carried.

Public Communication:

Oral: None.
Written: None.

Report of Chairman:

Ms. Potts stated that Birch Hill has received its "Certificate of Need" with conditions. She added that one of the conditions in the Resolution requires a letter from the Sewer Commission. Planning and Zoning will contact the Commission.

Report of Superintendent:

Mr. Sommers' report is attached.

Report of Treasurer:

Mrs. Herbst provided the following reports:

- Balance sheet as of March 2019
- Materials and Supplies Detail as of March 2019
- Outside Services Detail as of March 2019
- Operating Account Ledger as of March 31, 2019
- Actual vs. Budget as of March 2019

Mr. Casey made a motion to approve the Operating Account Ledger as of March 31, 2019. Mr. Nelson seconded the motion and the motion carried.

Report of Collector:

Ms. Devaux did not attend the meeting and did not provide a report.

Report of Consulting Engineer:

RECEIVED FOR RECORD
KENT TOWN CLERK

2019 APR 16 P 2:37

BY *J. Brady*
TOWN CLERK

Mr. Clark reported the relay for the blower has been reinstalled. The blower runs for ¾ of an hour and is off for ¼ of an hour. He added that there should be a savings on the electrical bill with the process.

Plant Land Use Agreement:

Ms. Potts reported that the plant land lease expires on October 5, 2020, and it must be renewed in writing no later than April 4, 2020. She added Attorney Jeff Sienkiewicz has provided some guidance on the process (attached).

Belt Press:

Mr. Casey reported that he had done some research on companies that would finance the leasing of equipment like the belt press. He obtained quotes from two different companies (attached). Mr. Casey added the BOS and BOF would have to sign-off on the financing. Ms. Potts stated she would recommend a 10-year lease. She asked Bart Clark to put together the bid specs. Ms. Potts added that she will ask to be put on the BOS's May meeting to discuss the leasing concept. Mr. Casey made a motion to authorize Bart Clark to prepare the bid specs for the proposed belt press to present to the Board of Selectmen at the May 7, 2019 BOS meeting. Mr. Grant seconded the motion and the motion carried.

Kent School:

Ms. Potts stated Kent School is the largest user of the plant and, with a benefit assessment, they might help fund the proposed belt press. Mr. Clark stated that all of the users should be included in any benefit assessment. He added everyone's fee would be based on usage. Mr. Clark stated that there is need to justify a rate increase in the budget vs. expenses. Ms. Potts agreed to put some information together to bring a proposal to Kent School.

Ordinances:

Ms. Potts stated that the Sewer Commission approved them at the last meeting and they are on the BOS's agenda for May 7, 2019.

Employee Handbook:

The Commission discussed the draft Employee Handbook and made some clerical changes and added a few suggestions. There was discussion on the part-time employee who covers Saturdays and Sundays. It was agreed that a job description will be created for the part-time position. Mr. Sommers noted that there no longer is sick time in the proposed Employee Manual, and he was hired with sick time. He added that he had accumulated 12 weeks and would like to know what would happen to that time. Mr. Casey stated sick time had been addressed back when Art Seabury still was employed. He added that it should be noted in the minutes. Ms. Potts confirmed sick time would be researched and reported on at next month's meeting. Ms. Potts stated that the updated Employee Handbook will be distributed before the next meeting and can be voted on at the next Sewer Commission meeting.

"An equal opportunity employer and service provider."

Job Descriptions:

Ms. Potts stated no action taken.

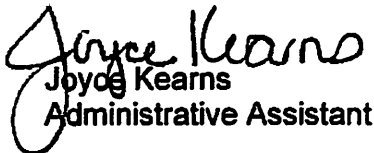
Capital Plan:

Nothing new to report.

Club Getaway:

Ms. Potts stated she reached out to Club Getaway, and they expressed interest in connecting to the sewer system. She noted that they need easements and will work toward securing them.

Mr. Casey made a motion to adjourn the meeting at 5:35 p.m. Mr. Grant seconded the motion and the motion carried.


Joyce Kearns
Administrative Assistant

These are draft minutes and the Kent Sewer Commission at the subsequent regular meeting may make corrections. Please refer to subsequent regular meeting minutes for possible corrections and approval of these minutes.

AGENDA

**KENT SEWER COMMISSION
REGULAR MEETING**

**April 9, 2109
4:30 P.M. TOWN HALL**

Regular Meeting

1. Call to order and Pledge of Allegiance
2. Amend agenda/approve agenda
3. Approval of Minutes
 - a March 12, 2019 Regular meeting
4. Public Communication
 - a Oral
 - b Written
5. Report of Chairman
6. Report of Superintendent
7. Report of Treasurer
8. Report of Collector
9. Report of Consulting Engineer
10. New Business
 - a Plant Land Use agreement
11. Old Business
 - a Belt Press
 - b Kent School
 - c Ordinances
 - d Employee Handbook/Paid Time Off (PTO)
 - e Job Descriptions
 - f Capital Plan
 - g Club Get away
12. Adjourn

"An equal opportunity employer and service provider."

Superintendents report for March 2019

Good afternoon everyone.

1.84 million gallons total
59k gallons per day average
516k gallons came from Kent school
Average BOD removal rate 98%
Average TSS removal rate 97%
Average influent PH 6.7

We started the install of the blower timers. One is completed and the parts for the second just arrived.

Two effluent beds are online, 2 are drying for cleanout.

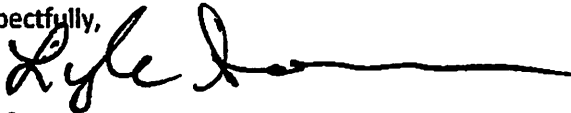
The #1 septage lagoon will have to wait till summer for cleanout. With the water table so high, its causing issues with the 3rd area.

Pump for the press is ordered and expected soon.

Spring cleanup of the grounds is started.

Spring cleanout of the pump stations is done.

Respectfully,

A handwritten signature in black ink, appearing to read 'Lyle Sommers', followed by a long horizontal flourish.

Lyle Sommers
Superintendent
Kent WPCA

Kent Sewer Commission

Balance Sheet as of March 2019

	<u>3/31/19</u>	<u>3/31/18</u>	<u>\$ Change</u>
Checking/Savings			
1 USB	46,868	103,751	-56,883
2 USB Septage MMA #8052	152,148	129,825	22,324
3 USB Capital #3880	522,393	630,609	-108,215
5 Brookwoods	32,324	31,974	350
6 Kent Affordable Housing	24,127	24,031	96
7 Saddle Ridge Estates	163,409	163,204	205
Total Checking/Savings	<u>941,271</u>	<u>1,083,394</u>	<u>-142,123</u>
Accounts Receivable	<u>923</u>	<u>2,123</u>	<u>-1,200</u>
Due from General Fund			0
Total Current Assets	<u>942,193</u>	<u>1,085,516</u>	<u>-143,323</u>
Fixed Assets			
Accumulated Depreciation	-1,456,070	-1,352,787	-103,283
Property and equipment	<u>4,813,633</u>	<u>4,820,083</u>	<u>-6,450</u>
Total Fixed Assets	<u>3,357,563</u>	<u>3,467,295</u>	<u>-109,733</u>
TOTAL ASSETS	<u><u>4,299,756</u></u>	<u><u>4,552,812</u></u>	<u><u>-253,055</u></u>
LIABILITIES & EQUITY			
Accounts Payable	845	2,204	-1,359
Due To Brookwoods	32,324	31,974	350
Due To Kent Affordable Housing	24,127	24,031	96
Due to Saddle Ridge Estates	163,409	163,204	205
Federal Taxes Payable	3,437	2,762	675
State Taxes Payable	526	543	-17
USDA Loan 92-04	468,446	476,797	-8,351
USDA Loan 92-06	818,200	830,455	-12,255
USDA Loan 92-08	<u>76,794</u>	<u>78,668</u>	<u>-1,874</u>
Total Liabilities	<u>1,588,110</u>	<u>1,610,638</u>	<u>-22,528</u>
Equity			
*Retained Earnings	1,741,256	1,893,114	-151,857
Opening Bal Equity	420,287	420,287	0
Retained Earnings	665,228	665,228	0
Net Income	<u>-115,125</u>	<u>-36,455</u>	<u>-78,670</u>
Total Equity	<u>2,711,646</u>	<u>2,942,173</u>	<u>-230,527</u>
TOTAL LIABILITIES & EQUITY	<u><u>4,299,756</u></u>	<u><u>4,552,812</u></u>	<u><u>-253,055</u></u>

04/05/19

Kent Sewer Commission
Materials and Supplies Detail
 July 2018 through March 2019

Date	Num	Name	Memo	Debit
Operating Expenses				
Materials and supplies				
New Equipment				
08/13/18	2000...	Napa Auto Parts	35 ton service jack	199.99
Total New Equipment				199.99
Purchases & supplies				
07/24/18	111005	ACE Hardware	rotary drill bit	6.63
08/13/18	101776	Napa Auto Parts	battery for Jet tractor	119.68
08/31/18	August	ACE Hardware	ppr towels, bath tissue, custom key, batteries	51.94
09/30/18	111005	ACE Hardware	ppr towels, bath tissue, batteries, garden hose, wire brush and scraper, p...	115.85
10/24/18	111005	ACE Hardware	1 hp utility pump, ppr towels, cleaner, pipe wrench, wrench tap, tap plu...	149.41
10/31/18	101875	Napa Auto Parts	emblem trim adhesive, 16QT drain pan	133.92
11/20/18	1620...	McNichols Co.	grate for garage floor drain	1,923.49
11/24/18	111005	ACE Hardware	paint, rule tape, bead wire, clamp, cutoff blade, primer, PVC cement, gut...	143.28
12/04/18	752727	USA Blue Book	mercold snap action pressure switch	354.00
12/04/18	752947	USA Blue Book	mercold snap action pressure switch, Y-strainer, socket 1/2 in clear pvc, ...	381.15
12/13/18	760187	USA Blue Book	mercold snap action pressure switch, Y-strainer, socket 1/2 in clear pvc, ...	170.30
12/31/18	111005	ACE Hardware	snow shovel, primer, gloves, wire wheel, brush wheel, grease, oil, drill b...	159.83
01/18/19	789389	USA Blue Book	filter element paper / universal silencer 81-0474	114.18
01/18/19	103552	Napa Auto Parts	power service diesel	19.49
01/24/19	111005	ACE Hardware	couplings, galv nipple, vlvball, hex busings, goho w/ pumice, nitril glove...	93.48
03/21/19	104815	Napa Auto Parts	2 ton jack stand	19.99
03/24/19	111005	ACE Hardware	elbows, blaster lubricant, ppr towels, conduit, pipe, stape, copper tube, b...	272.53
03/24/19	111005	ACE Hardware	vlv ball 1" threadedlf, ppr towels, wire rope clip	50.27
Total Purchases & supplies				4,279.42
Total Materials and supplies				4,479.41
Total Operating Expenses				4,479.41
TOTAL				<u>4,479.41</u>

04/05/19

Kent Sewer Commission
Outside Services Detail
 July 2018 through March 2019

Date	Num	Name	Memo	Debit
Operating Expenses				
Outside Services-Operating				
07/01/18	7002...	DIS - Diversified I...	Install 8" x 4' shortliner	2,400.00
07/23/18	2018...	Quality Data Servi...	June 2018: final posted ratebook, binding final posted bo...	150.00
07/24/18	2018...	Quality Data Servi...	July 2018: printing and processing sewer/water billing (3...	281.36
07/31/18	729570	Welsh Sanitation	Commercial service: July 2018	44.67
08/31/18	729570	Welsh Sanitation	Commercial service: August 2018	44.67
08/31/18	SCH...	Kinsley Power Sys...	Level II generator service	625.00
08/31/18	SCHE...	Kinsley Power Sys...	Level II generator service	550.00
09/12/18	3700...	DIS - Diversified I...	smoke testing, kent (8/20 - 8/24)	14,645.90
09/27/18	19446	US Environmental...	9/26/18 - - daily rental for YSI Professional Plus meter	207.38
09/30/18	81229	Fire Equipment He...	3 extinguishers inspected and tagged	234.35
09/30/18	729570	Welsh Sanitation	Commercial service: September 2018	44.67
10/22/18	2018...	Quality Data Servi...	Sept 2018: printing and processing sewer/water billing (3...	280.47
10/30/18	729570	Welsh Sanitation	Commercial service: October 2018	44.67
11/30/18	729570	Welsh Sanitation	Commercial service: November 2018	45.34
12/13/18	54265	Pupper Septic Inc.	12/13: 5.5 hrs man and truck - suck out sludge from aer...	825.00
12/15/18	01117	Computer Imagin...	updated MSE line to show current sewer system, added p...	1,500.00
12/18/18	54279	Pupper Septic Inc.	12/18: 4 hrs man and truck - suck out sludge from aerat...	600.00
12/19/18	54280	Pupper Septic Inc.	12/19: 5.5 hrs man and truck - suck out sludge from aer...	825.00
12/20/18	54310	Pupper Septic Inc.	12/20: 2.5 hrs man and truck - suck out sludge from aer...	375.00
12/26/18	54322	Pupper Septic Inc.	12/26: 4 hrs man and truck - suck out sludge from aerati...	600.00
12/27/18	54334	Pupper Septic Inc.	12/27: 7 hrs man and truck - suck out sludge from aerati...	1,050.00
12/31/18	729570	Welsh Sanitation	Commercial service: December 2018	44.67
01/02/19	54356	Pupper Septic Inc.	1/2 : 6.5 hrs man and truck - suck out sludge from aerat...	975.00
01/03/19	54351	Pupper Septic Inc.	1/3 : 5 hrs man and truck - suck out sludge from aeratio...	750.00
01/04/19	54354	Pupper Septic Inc.	1/4 : 5.5 hrs man and truck - suck out sludge from aerat...	825.00
01/17/19	28144	US Environmental...	1/17/19 - - pegasus alexis peri pump, solinist , Ysi Profe...	207.38
01/31/19	729570	Welsh Sanitation	Commercial service: January 2019	71.25
02/06/19	2019...	Quality Data Servi...	Jan 2019: printing and processing sewer/water billing (31...	185.47
02/06/19	2018...	Quality Data Servi...	Final posted ratebook	150.00
02/28/19	729570	Welsh Sanitation	Commercial service: February 2019	71.25
02/28/19	DPS5...	State of Connectic...	Rt #7: 8/24/18 (smoke testing, police services provided)	668.15
03/27/19	54633	Pupper Septic Inc.	3/27: 4.5 hrs man and truck - pump station across hous...	675.00
Total Outside Services-Operating				29,996.65
Total Operating Expenses				29,996.65
TOTAL				29,996.65

04/05/19

Kent Sewer Commission Operating Account ledger

As of March 31, 2019

Date	Num	Name	Memo	Amount	Balance
1 USB					55,880.74
Operating - 8044					55,880.74
03/01/19	DirDep	Keams, Joyce	Direct Deposit	0.00	55,880.74
03/01/19	DirDep	Sommers, Lyle R	Direct Deposit	0.00	55,880.74
03/01/19	DirDep	Warner, Jesse T	Direct Deposit	0.00	55,880.74
03/01/19	10765	ABT	February bookkeeping support	-550.00	55,330.74
03/04/19	03/04/19	Benefit Assessments		1,356.41	56,687.15
03/04/19	03/04/19	Sewer Customers		3,922.25	60,609.40
03/06/19	03/06/19	Sewer Customers		824.30	61,433.70
03/08/19	10771	ACE Hardware	elbows, blaster lubricant, ppr towels, conduit, pipe, staple, copper tube, bits, gloves, thermos, ...	-272.53	61,161.17
03/08/19	10772	Crystal Rock	four 5gal bottles drinking water and two returns (includes fuel surcharge)	-60.93	61,100.24
03/08/19	10773	OJ Hail Roofing, LLC	completed roof coating and minor repairs around stove pipe	-2,800.00	58,300.24
03/08/19	10774	Town of Kent	MSE: user fees, benefit assessments, gasoline, insurances	-6,133.66	52,166.58
03/13/19	03/13/19	Sewer Customers		396.70	52,563.28
03/13/19	03/13/19	Sewer Customers		361.77	52,925.05
03/14/19		QuickBooks Payroll Service	Direct Deposit for 3/15/19	-2,902.26	50,122.79
03/15/19	DirDep	Keams, Joyce	Direct Deposit	0.00	50,122.79
03/15/19	DirDep	Sommers, Lyle R	Direct Deposit	0.00	50,122.79
03/15/19	DirDep	Warner, Jesse T	Direct Deposit	0.00	50,122.79
03/18/19	03/18/19	Sewer Customers		1,866.78	51,989.57
03/19/19	03/19/19	Sewer Customers		83.61	52,073.18
03/27/19	03/27/19	Sewer Customers		1,270.85	53,344.03
03/27/19	03/27/19	Sewer Customers		1,478.99	54,823.02
03/27/19	03/27/19	Benefit Assessments		1,066.96	55,889.98
03/28/19		QuickBooks Payroll Service	Direct Deposit for 3/29	-3,533.32	52,356.66
03/29/19	DirDep	Keams, Joyce	Direct Deposit	0.00	52,356.66
03/29/19	DirDep	Sommers, Lyle R	Direct Deposit	0.00	52,356.66
03/29/19	DirDep	Warner, Jesse T	Direct Deposit	0.00	52,356.66
03/29/19	DirDep	Soule Jr., Millard L	Direct Deposit	0.00	52,356.66
03/29/19	DirDep	Devaux, Deborah J.	Direct Deposit	0.00	52,356.66
03/29/19	10776	ACE Hardware	viv ball 1" threaded, ppr towels, wire rope clip	-50.27	52,306.39
03/29/19	10777	Aramark Uniform & Career (I...	Uniform Services: 3/1, 3/8, 3/15, 3/22	-146.66	52,159.73
03/29/19	10778	Eversource	#50 Maple St - 1/16 - 3/14/19, Plant: 2/14 - 3/15 (29 days), Pump Station: 2/14 - 3/15 (29 ...	-3,186.72	48,973.01
03/29/19	10779	FedEx	Shipping to Avenir lab 2/13, 2/20, 2/27, 3/6	-123.20	48,849.81
03/29/19	10780	Frontier	Telephone and Internet service: 3/1 - 3/31	-85.38	48,764.43
03/29/19	10781	Pupper Septic Inc.	3/27: 4.5 hrs man and truck - pump station across houseatonic river sludge house	-675.00	48,089.43
03/29/19	10782	Quik Corporation	Office supplies	-515.61	47,573.82
03/29/19	10783	State of Connecticut (Police)	Rt #7: 8/24/18 (smoke testing, police services provided)	-668.15	46,905.67
03/29/19	10784	Superior Plus Energy	375.6 gal heating fuel	-939.30	45,966.37
03/29/19	10785	Tunxis	Lab exams 2/13, 2/20, 2/27, 3/6, 3/13, 3/26	-1,542.00	44,424.37
03/29/19	10791	Hapa Auto Parts	2 ton jack stand	-19.99	44,404.38
03/29/19	10792	Town of Kent	100% of all Benefit Assessment fees collected March 27 2019on MSE properties	-1,066.96	43,337.42
03/31/19	10795	Town of Kent	Sommers: Roth 401k Emp.	-352.08	42,985.34
03/31/19	Trnsf	Kent Sewer Commission	Transfer Capital Reserve and ST Asset reserve accruals to date	-1,367.72	41,617.62
Total Operating - 8044				-14,263.12	41,617.62
Total 1 USB				-14,263.12	41,617.62
TOTAL				-14,263.12	41,617.62

Kent Sewer Commission

Income and Expense

Actual vs. Budget

	<u>Jul -Mar 19</u>	<u>Budget</u>	<u>% of Budget</u>
Income			
Septage Fees	46,251	55,000	84.1%
Sewer User Charges	<u>215,666</u>	<u>200,764</u>	<u>107.4%</u>
Total Income	261,917	255,764	102.4%
Expense			
General & Admin Expenses			
Accounting/Bookkeeping Services	4,950	4,950	100.0%
Audit	2,580	2,500	103.2%
Bank Service Charges			
Office Supplies	516	525	98.2%
Outside services-Admin	300	450	66.7%
Printing & Advertising			0.0%
Software/Licensing Fees	<u>3,005</u>	<u>2,220</u>	<u>135.4%</u>
Total General & Admin Expenses	11,351	10,645	106.6%
Operating Expenses			
Continuing Education		750	
Depreciation			
Electricity	28,059	23,500	119.4%
Fuel	3,778	3,575	105.7%
Insurance			
Dental Insurance	996	1,130	88.1%
Liab Auto Prop Insura	859	900	95.4%
Life Insurance	98	98	100.1%
Medical	21,257	20,411	104.1%
Workman's Comp	<u>2,742</u>	<u>3,750</u>	<u>73.1%</u>
Total Insurance	25,952	26,289	98.7%
Internet	188	540	34.9%
Lab exams	10,965	10,080	108.8%
Materials and supplies	4,479	1,125	398.2%
Miscellaneous	232	130	178.4%
Outside Services-Operating	29,997	12,225	245.4%
Parts & Repairs	7,545	7,300	103.4%
Payroll Expenses	89,814	87,762	102.3%
Payroll taxes	7,709	6,714	114.8%
Pension	1,625	4,009	40.5%
Permit fees	2,361	2,100	112.4%
Postage	1,246	1,485	83.9%
Professional fees			
Engineering fees	9,875	36,546	27.0%
Legal fees	<u>4,207</u>	<u>3,750</u>	<u>112.2%</u>
Total Professional fees	14,081	40,296	34.9%

Kent Sewer Commission

Income and Expense

Actual vs. Budget

	<u>Jul -Mar 19</u>	<u>Budget</u>	<u>% of Budget</u>
Telephone	1,183	1,530	77.3%
Uniforms	1,430	1,161	123.2%
Total Operating Expenses	230,645	230,571	100.0%
Total Expense	241,996	241,216	100.3%
Investment income	332	450	73.7%
Transfers In	38,906	38,906	
Other Expense			
Capital Reserve	25,114	17,904	140.3%
Short Term Asset Reserve	5,020	3,836	130.9%
Maple Street Extension			
100% of Connection Fees	8,653		
80% of User Fees Collected	2,120	2,350	
Total Maple Street Extension	10,773	2,350	458.4%
USDA Loan Interest (92-06) (92-04) (92-08)	26,651	26,990	
Net Income and Expense	(8,399)	2,824	-297.4%

Budget is only for report period NOT
full year

Transfers to Capital and ST Asset Reserve of 30,134
are only posted to show amounts sequestered.
These amounts are not technically an expense and
are included as part of the net income on the Balance Sheet.

Capital Expenses pd w/ Capital Funds -136,861 Aeration equipment and Aeration System upgrade
Engineering Costs for Aeration project

by including these items
the net income is actually -115,125



Joyce Kearns <adminassist@townofkentct.org>

Kent Sewer Plant Option to Renew

1 message

Jeff Sienkiewicz <jsienkiewicz@allinghamlaw.com>

Thu, Mar 21, 2019 at 5:30 PM

To: Joyce Kearns <adminassist@townofkentct.org>

Cc: Elissa Potts <egtpotts@snet.net>, John Casey <jecasey2@gmail.com>, Bruce Adams <firstselectman@townofkentct.org>, Chris Garrity <cgarrity@townofkentct.org>, Jeff Parkin <jrparkin@townofkentct.org>, "D. Randall DiBella" <drdibella@crameranderson.com>, Bart Clark <oakwoodea@optonline.net>

Dear Joyce,

Reference is made to your March 18th email. Good job finding the applicable documents.

Your Document #4 is the operative lease for the sewer plant. Dated October 6, 1970 and recorded at Volume 57, Page 238 of the Kent Land Records. This lease expires on October 5, 2020. It must be renewed in writing not later than April 5, 2020.

Your Document #1 contains the one other document that I recalled. This is the Groundwater Monitoring Easement dated December 17, 1998 and recorded at Volume 119, Page 251 of the Kent Land Records. Document #1 also contains the last two pages of a second document that I did not recall. This appears to be a Pump Station Easement dated August 19, 2011 and recorded at Volume 171, possibly Page 206 or 207 of the Kent Land Records.

The two latter documents are easements that are tied in duration to the original lease. Both easement continue only so long as the Town leases the land for the sewer plant under the 1970 lease, as extended.

Since the original lease was with the Town, acting by the Board of Selectmen, I believe the lease should be renewed by the Town, acting by the Board of Selectmen. I recommend the following procedure:

1. I believe the Sewer Commission should adopt a resolution noting a need to continue the lease of the land for the sewer plant and to continue the two related easements. That resolution should formally request the Board of Selectmen to exercise the option to renew the lease on the same terms and conditions as specified in the 1970 lease (See paragraph Second of the lease). This should be clearly reflected in the Sewer Commission minutes and a letter sent to the Board of Selectmen so there is a paper trail.

2. I believe the Board of Selectmen, upon receipt of this request from the Sewer Commission, should adopt a resolution voting to exercise the option to extend the lease for an additional period of fifty (50) years, noting the intent, as well, that the Groundwater Monitoring Easement dated December 17, 1998 and the Pump Station Easement dated August 19, 2011 be continued. The Selectmen's resolution should further authorize the Town Attorney to send written notice to The Kent School Corporation notifying the School that the Town

is exercising its right to extend the lease on the same terms and conditions as contained in the original lease for the additional period of fifty (50) years, and further directing the Town Attorney to prepare a document for recording on the land records evidencing that the Town has exercised its right to extend the lease (and also noting that the two related easements are also continued).

If the Board of Selectmen want to direct me to take the action described for the Town Attorney, I am happy to undertake the tasks, but I do believe it is more appropriate for the exercise of the right to renew to come from the Town Attorney, or if not from him, the First Selectman. I do believe it very important that the minutes clearly reflect the actions taken and most importantly that there is something filed on the land records evidencing that the lease has been extended.

Sincerely,

Jeffrey B. Sienkiewicz
of Counsel

Allingham, Readyoff & Henry, LLC
54 Bridge Street
New Milford, CT 06776
Ph. (860) 350-5454
Fax (860) 350-5457
e-mail jsienkiewicz@allinghamlaw.com

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LEASE

THIS LEASE made by and between THE KENT SCHOOL CORPORATION, a non-profit corporation organized and existing under the laws of the State of Connecticut, Lessor, acting herein by S. E. Tule, its Secretary, hereunto duly authorized, and THE TOWN OF KENT, a political subdivision of the State of Connecticut, Lessee, acting herein by Eugene J. O'Meara, John J. Gavel, and William E. Tobin, Jr, its Selectmen, hereunto duly authorized,

WITNESSETH:

THAT in consideration of the mutual agreements contained herein and other valuable consideration, the parties do hereby covenant to and with each other as follows:

FIRST: That the Lessor does hereby lease to the Lessee the following-described real property located in the Town of Kent, County of Litchfield, and State of Connecticut, to wit:

A certain piece or parcel of land situate in the Town of Kent, County of Litchfield, and State of Connecticut, bounded and described as follows:

Beginning at a point in the northwest corner of the Sewage Treatment Plant site, said point being more particularly described as the intersection of a fence and a fence-intersection with the East Line of Schaghticoke Road, 25.00 feet East of and perpendicular to the center line of Schaghticoke Road; thence Southeast along said fence 391.5 feet more or less to an angle point in said fence; thence continuing Southeast along said fence 237 feet more or less to a point, said point being the Northeast corner of the sewage treatment facility site; thence Southwest at right angles to said fence 440 feet more or less to the Southeast corner of the site; thence Northwest from said Southeast corner of the site at right angles to the Easterly site boundary 500 feet more or less to the Southwest corner of the site, said corner located on the East line of Schaghticoke Road; thence North along the East line of Schaghticoke Road 472.5 feet more or less to the point of beginning, and being bounded:

NORTHEAST: by land of the Lessor;
SOUTHEAST: by land of the Lessor;
SOUTHWEST: by land of the Lessor;
WEST: by Schaghticoke Road.

Together with a 50-foot strip of land, the west line of which begins at the southeast corner of the land above described and runs thence northeast 50 feet along the east line of said land above described and the north and south lines of which run east to the Housatonic River from the north and south ends of said west line at approximate right angles thereto, all of the above being described in a certain map entitled "Water Pollution Control Facilities, Town of Kent, Connecticut, Site Development Plan," prepared by James S. Minges & Associates, Inc., Consulting Engineers and Land Planners, Farmington, Connecticut, Drawing No. A-1, By A.R., App. C.F., Dated March 31, 1969, Scale As Noted, Conn. No. 275-2, which map is to be filed simultaneously with this lease in the Town Records of the Town of Kent.

Also, together with a 40-foot easement for the construction and installation of a sewer line and pump station, said easement to run 20 feet on either side of said pump station and 20 feet on either side of said sewer line from the center of a 12-inch sewer main, as laid out and described on four certain maps entitled, "Revision, June, 1969, Water Pollution Control Facilities, Town of Kent, Connecticut, Schaghticoke Rd., Sta. 0 + 0 to Sta. 13 + 0, James S. Minges & Associates, Inc., Consulting Engineers and Land Planners, Farmington, Connecticut, Drawing No. B-2, By E.F., App. J.L., Dated March 31, 1969, Scale As Noted, Conn. No. 275-2," and "Revision, June, 1969, Water Pollution Control Facilities, Town of Kent, Connecticut, Schaghticoke Rd., Sta. 13 + 0 to Sta. 25 + 43, James S. Minges & Associates, Inc., Consulting Engineers and Land Planners, Farmington, Connecticut, Drawing No. B-1, By E.F., App. J.L., Dated March 31, 1969, Scale As Noted, Conn. No. 275-2," and "Revision, June, 1969, Water Pollution Control Facilities, Town of Kent, Connecticut, River Crossing & Pumping Station, Sta. 19 + 0 to Sta. 24 + 10, James S. Minges & Associates, Inc., Consulting Engineers and Land Planners, Farmington, Connecticut, Drawing No. B-5, By E.F., App. J.L., Dated March 31, 1969, Scale As Noted, Conn. No. 275-2," and "Revision, June, 1969, Water Pollution Control Facilities, Town of Kent, Connecticut, River Line Interceptor, Sta. 10 + 0 to Sta. 19 + 0, James S. Minges & Associates, Inc., Consulting Engineers

PLEASE JOIN
INITIALS
JJO
WRT

LEASE - continued

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and Land Planners, Farmington, Connecticut, Drawing No. B-5, By E.F., Jr., J.L., Dated March 31, 1969, Scale As Noted, Conn. No. 275-2, which maps have been filed or will be filed with the Town Clerk of the Town of Kent, simultaneously with the filing of this lease, and said easement is to be for the term of, and subject to all the provisions and conditions of, this lease. Provided, however, that upon the completion of the construction and installation of said pumping station and said 12-inch sewer main, the easement referred to herein shall diminish in width so that there shall be a 20-foot easement for the maintenance, use and repair of said sewer line and pumping station, and 30-foot easement to run 10 feet on either side of the aforesaid 12-inch sewer main and 10 feet on either side of said pumping station.

SECOND: That the Lessee shall have the right to have and to hold the above-described premises upon the conditions herein stated for the term of ~~fifty (50) years~~ ^{thirty (30) years} commencing with the date hereof, together with the right to renew this lease on the same terms and conditions as herein stated for an additional term of fifty years on the Lessee's giving written notice to the Lessor of said intention to renew said lease at least six months prior to the expiration of the granted term, and the Lessor covenants with the Lessee that it has good right to lease said premises as herein stated and that it will suffer and permit said Lessee to peacefully occupy, possess and enjoy said premises during the term aforesaid, without hindrance or molestation from itself or any person claiming by, from or under itself, provided the Lessee shall not be in default of this lease.

THIRD: That the parties hereto agree that the sum of \$1.00 is hereby paid by the Lessee to Lessor as rent for the term aforesaid and, in the event that the land above described or the land underlying the easement above described or any buildings or improvements thereon or therein shall be taxed by the Lessee, or successor taxing entity, to the Lessor at any time, then the Lessee on additional rent shall pay to the Lessor an amount equal to the amount of any such tax on or before the due date of any such tax.

FOURTH: That the parties hereto understand that the Lessee intends to erect on the leased premises a sewage treatment facility together with supporting equipment, discharge lines, and utility lines, and the Lessee hereby agrees that the leased premises shall be used only for the purposes of sewage treatment or purposes allied thereto.

FIFTH: That the covenants and agreements contained in this lease shall extend to and bind the successors and assigns of the parties respectively by and to whom the same have been made.

SIXTH: That at any termination of this lease, the Lessee will redeliver and surrender up to the Lessor the leased premises in good condition, ordinary wear and tear excepted, provided, however, that the Lessee shall at its expense remove any equipment, machinery, buildings, or facilities which it has caused to be placed or installed on the leased premises.

SEVENTH: That the Lessee shall indemnify the Lessor from and against all causes of action arising by reason of the acts or neglect of the Lessee or of the failure by the Lessee or any of its agents, servants, or employees to fulfill any duty toward the Lessor or towards the public, or any person or persons whatsoever which the Lessee by reason of its occupancy of the leased premises may owe, and shall at its own cost and expense defend such actions which may be brought against the Lessor and shall pay all amounts which may be recovered therein against the Lessor for or upon said causes of action.

EIGHTH: That the Lessor may connect its present sewage collection facilities to the Lessee's sewage treatment plant and no charge will be levied by the Lessee against the Lessor for the construction and/or installation required by said connection, and certain modifications of the Lessor's present sewage pump house necessary to facilitate such connection will be made, without charge by the Lessee, provided, however, that this action shall in no way relieve the Lessor from the annual sewage operating, maintenance or other future sewage charges as assessed and taxed by the Town of Kent, or successor taxing entity.

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SIXTH: That in the event the Lessee shall fail to comply with the provisions of any ordinance, governmental regulation or order, or public or private law, or shall fail to comply with any provision of this lease or shall assign this lease or sublease the same without the approval of the Lessor, or if the Lessee shall permit substantial trash to accumulate on the demised premises or any portion thereof or shall not maintain the demised premises and the improvements thereon in a reasonably neat and attractive condition, or if the Lessee shall abandon the premises or the use thereof as a sewage treatment plant or for purposes allied thereto, then this lease at the option of the Lessor shall cease and terminate unless the Lessee, within 30 days after written notice from the Lessor, shall correct the deficiency aforesaid, or, in the event that said deficiency cannot reasonably be corrected within 30 days from the date of such written notice, shall make diligent and continuous substantial efforts to correct such deficiency.

SEVENTH: The parties hereto hereby release and discharge a certain prior lease between the parties hereto dated September 23, 1969, and recorded in Volume 56 at Page 573 of the Kent Land Records.

IN WITNESS WHEREOF, the parties hereto have hereunto set or caused to be set their hands and seals, and to a duplicate of the same tenor and dated this Saturday, October 6, 1970.

Signed, Sealed and Delivered in the presence of:

Marjorie Richards
Marjorie Richards
Irene K. Weddell
Irene K. Weddell

as to
SMT

THE KENT SCHOOL CORPORATION

By S.W. Towle
S.W. Towle
Its Secretary SEAL

THE TOWN OF KENT

Geal E. Crawford
Dorothy A. Maer

for
all

By Eugene J. O'Meara
Eugene J. O'Meara
First Selectman
By John J. Gavel
John J. Gavel
Second Selectman
By V. R. Tobin Jr.
V. R. Tobin Jr.
Third Selectman

STATE OF CONNECTICUT: ss. Kent, October 6, 1970
COUNTY OF LITCHFIELD:

Personally appeared Sidney H. Towle, Secretary of THE KENT SCHOOL CORPORATION, signer and sealer of the foregoing instrument and acknowledged the same to be his free act and deed, and the free act and deed of said corporation, before me.

Richard M. Flanagan
Richard M. Flanagan, Notary SEAL
MY COMMISSION EXPIRES 4-1-74

STATE OF CONNECTICUT: ss. Kent, Oct. 20, 1970
COUNTY OF LITCHFIELD:

Personally appeared Eugene J. O'Meara, John J. Gavel, and V.R. Tobin, Jr., the Selectmen of THE TOWN OF KENT, signers and sealers of the foregoing instrument and acknowledged the same to be their free act and deed, and the free act and deed of said corporation, before me.

SEAL

Marian F. Pascocha
Marian F. Pascocha
Town Clerk
Kent, Connecticut

*No Conveyance Tax collected

Marian F. Pascocha
Town Clerk of Kent

A true copy of the original received for record October 30, 1970 at 9:05 A.M.

Attest:

Marian F. Pascocha
Town Clerk



Municipal
Leasing
Consultants



T: 802.372.8435 F: 802.372.4775
powerofleasing.com
powerofenergyfinancing.com

April 5, 2019

John Casey
Vice Chair Sewer Department
Town of Kent
41 Kent Green Blvd
Kent, CT 06757

Dear John,

Municipal Leasing Consultants, an independent woman-owned business, is pleased to present the following proposal to lease certain capital equipment pursuant to the following terms and conditions:

LESSOR: Municipal Leasing Consultants, its Agents or Assignee

LESSEE: Town of Kent, CT

EQUIPMENT: One (1) Sewer Belt Press

EQUIPMENT COST: \$500,000.00 approximate

PAYMENT STRUCTURES: Option 1: Tax-Exempt Lease Purchase
Five (5) Years – Annual/Arrears
Five (5) Annual Payments of \$109,770.26
First payment of \$109,770.26 due one year from closing and Annual thereafter
(i.e. $\$500,000.00 \times .219541 = \$109,770.26$)

RATE: 3.19%

Option 2: Tax-Exempt Lease Purchase
Seven (7) Years – Annual/Arrears
Seven (7) Annual Payments of \$81,132.59
First payment of \$81,132.59 due one year from closing and Annual thereafter
(i.e. $\$500,000.00 \times .162265 = \$81,132.59$)

RATE: 3.29%

Option 3: Tax-Exempt Lease Purchase
Ten (10) Years – Annual/Arrears
Ten (10) Annual Payments of \$59,787.82
First payment of \$59,787.82 due one year from closing and Annual thereafter
(i.e. $\$500,000.00 \times .119576 = \$59,787.82$)

RATE: 3.39%



203 E. PARK AVENUE, LIBERTYVILLE, ILLINOIS 60048



847-247-0771



847-247-0772



www.taxexemptleasing.com

April 1, 2019

VIA E-MAIL: jecasey2@gmail.com

John Casey, Sewer Commissioner
Town of Kent
Kent, Connecticut

Dear John:

I am pleased to provide the following quote for Town of Kent for the financing of a new dump press. This quote is valid for 14 days and is subject to credit review and proper documentation.

Equipment Cost (Approximate):	\$300,000.00	\$400,000.00
Down Payment:	\$0.00	\$0.00
Financed Amount:	\$300,000.00	\$400,000.00
Payment Frequency:	Annual, in arrears (first payment due one year from lease date)	
Term:	10-years	10-years
Rate*:	3.48%	3.48%
Payment*:	\$36,036.06	\$48,048.07
Factor^:	.12012	.12012

* Rate and payment assumes that the Customer is a tax-exempt entity and the purchase of the equipment falls within the type of equipment allowed as tax-exempt under the I.R.S. Code. In the event this purchase is not exempt, the rate and payments will be adjusted accordingly. Further, it is assumed that the transaction will be "bank-qualified" and that the customer will not issue more than \$10 million in tax-exempt leases or bonds in the current calendar year.

^ Factor is based on quoted rates. If the equipment cost changes or a down payment is made, the new payment amount can be calculated by multiplying the new financed amount by the rate factor.

Note: If the equipment will require a "build-out period", the financed amount will be placed into an escrow account at lease signing and funds disbursed as instructed by the customer.

I have attached an application that must be completed in order to proceed with the credit process. In addition, we will need copies of the Town's last 2-years of audited financial statements, along with a copy of its current interim financial statement. Once these items are gathered, please fax all of the information to 866-2-FAX-APP (866-232-9277) or e-mail to markz@taxexemptleasing.com.

I appreciate this opportunity and look forward to proceeding. Please let me know if I can answer any questions. I can be reached at 847-247-0771.

Kind Regards,

Mark M. Zaslavsky
President

Town of Kent CT Opt 1

Compound Period : Annual

Nominal Annual Rate : 3.190 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	05/03/2019	500,000.00	1		
2 Payment	05/03/2020	109,770.26	5	Annual	05/03/2024

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Date	Payment	Interest	Principal	Balance
Loan 05/03/2019				500,000.00
2019 Totals	0.00	0.00	0.00	
1 05/03/2020	109,770.26	15,950.00	93,820.26	406,179.74
2020 Totals	109,770.26	15,950.00	93,820.26	
2 05/03/2021	109,770.26	12,957.13	96,813.13	309,366.61
2021 Totals	109,770.26	12,957.13	96,813.13	
3 05/03/2022	109,770.26	9,868.79	99,901.47	209,465.14
2022 Totals	109,770.26	9,868.79	99,901.47	
4 05/03/2023	109,770.26	6,681.94	103,088.32	106,376.82
2023 Totals	109,770.26	6,681.94	103,088.32	
5 05/03/2024	109,770.26	3,393.44	106,376.82	0.00
2024 Totals	109,770.26	3,393.44	106,376.82	
Grand Totals	548,851.30	48,851.30	500,000.00	

Town of Kent CT Opt 2

Compound Period : Annual

Nominal Annual Rate : 3.290 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	05/03/2019	500,000.00	1		
2 Payment	05/03/2020	81,132.59	7	Annual	05/03/2026

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Date	Payment	Interest	Principal	Balance
Loan 05/03/2019				
2019 Totals	0.00	0.00	0.00	500,000.00
1 05/03/2020	81,132.59	16,450.00	64,682.59	435,317.41
2020 Totals	81,132.59	16,450.00	64,682.59	
2 05/03/2021	81,132.59	14,321.94	66,810.65	368,506.76
2021 Totals	81,132.59	14,321.94	66,810.65	
3 05/03/2022	81,132.59	12,123.87	69,008.72	299,498.04
2022 Totals	81,132.59	12,123.87	69,008.72	
4 05/03/2023	81,132.59	9,853.49	71,279.10	228,218.94
2023 Totals	81,132.59	9,853.49	71,279.10	
5 05/03/2024	81,132.59	7,508.40	73,624.19	154,594.75
2024 Totals	81,132.59	7,508.40	73,624.19	
6 05/03/2025	81,132.59	5,086.17	76,046.42	78,548.33
2025 Totals	81,132.59	5,086.17	76,046.42	
7 05/03/2026	81,132.59	2,584.26	78,548.33	0.00
2026 Totals	81,132.59	2,584.26	78,548.33	
Grand Totals	567,928.13	67,928.13	500,000.00	

Town of Kent CT Opt 3

Compound Period : Annual

Nominal Annual Rate : 3.390 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	05/03/2019	500,000.00	1		
2 Payment	05/03/2020	59,787.82	10	Annual	05/03/2029

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Date	Payment	Interest	Principal	Balance
Loan 05/03/2019				500,000.00
2019 Totals	0.00	0.00	0.00	
1 05/03/2020	59,787.82	16,950.00	42,837.82	457,162.18
2020 Totals	59,787.82	16,950.00	42,837.82	
2 05/03/2021	59,787.82	15,497.80	44,290.02	412,872.16
2021 Totals	59,787.82	15,497.80	44,290.02	
3 05/03/2022	59,787.82	13,996.37	45,791.45	367,080.71
2022 Totals	59,787.82	13,996.37	45,791.45	
4 05/03/2023	59,787.82	12,444.04	47,343.78	319,736.93
2023 Totals	59,787.82	12,444.04	47,343.78	
5 05/03/2024	59,787.82	10,839.08	48,948.74	270,788.19
2024 Totals	59,787.82	10,839.08	48,948.74	
6 05/03/2025	59,787.82	9,179.72	50,608.10	220,180.09
2025 Totals	59,787.82	9,179.72	50,608.10	
7 05/03/2026	59,787.82	7,464.11	52,323.71	167,856.38
2026 Totals	59,787.82	7,464.11	52,323.71	
8 05/03/2027	59,787.82	5,690.33	54,097.49	113,758.89
2027 Totals	59,787.82	5,690.33	54,097.49	
9 05/03/2028	59,787.82	3,856.43	55,931.39	57,827.50
2028 Totals	59,787.82	3,856.43	55,931.39	
10 05/03/2029	59,787.82	1,960.32	57,827.50	0.00
2029 Totals	59,787.82	1,960.32	57,827.50	
Grand Totals	597,878.20	97,878.20	500,000.00	

Town of Kent CT Opt 4

Compound Period : Annual

Nominal Annual Rate : 3.490 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	05/03/2019	500,000.00	1		
2 Payment	05/03/2020	51,711.53	12	Annual	05/03/2031

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Date	Payment	Interest	Principal	Balance
Loan 05/03/2019				
2019 Totals	0.00	0.00	0.00	500,000.00
1 05/03/2020	51,711.53	17,450.00	34,261.53	465,738.47
2020 Totals	51,711.53	17,450.00	34,261.53	
2 05/03/2021	51,711.53	16,254.27	35,457.26	430,281.21
2021 Totals	51,711.53	16,254.27	35,457.26	
3 05/03/2022	51,711.53	15,016.81	36,694.72	393,586.49
2022 Totals	51,711.53	15,016.81	36,694.72	
4 05/03/2023	51,711.53	13,736.17	37,975.36	355,611.13
2023 Totals	51,711.53	13,736.17	37,975.36	
5 05/03/2024	51,711.53	12,410.83	39,300.70	316,310.43
2024 Totals	51,711.53	12,410.83	39,300.70	
6 05/03/2025	51,711.53	11,039.23	40,672.30	275,638.13
2025 Totals	51,711.53	11,039.23	40,672.30	
7 05/03/2026	51,711.53	9,619.77	42,091.76	233,546.37
2026 Totals	51,711.53	9,619.77	42,091.76	
8 05/03/2027	51,711.53	8,150.77	43,560.76	189,985.61
2027 Totals	51,711.53	8,150.77	43,560.76	
9 05/03/2028	51,711.53	6,630.50	45,081.03	144,904.58
2028 Totals	51,711.53	6,630.50	45,081.03	
10 05/03/2029	51,711.53	5,057.17	46,654.36	98,250.22
2029 Totals	51,711.53	5,057.17	46,654.36	
11 05/03/2030	51,711.53	3,428.93	48,282.60	49,967.62
2030 Totals	51,711.53	3,428.93	48,282.60	

Town of Kent CT Opt 4

Date	Payment	Interest	Principal	Balance
12 05/03/2031	51,711.53	1,743.91	49,967.62	0.00
2031 Totals	51,711.53	1,743.91	49,967.62	
Grand Totals	620,538.36	120,538.36	500,000.00	

Option 4: Tax-Exempt Lease Purchase

Twelve (12) Years – Annual/Arrears

Twelve (12) Annual Payments of \$51,711.53

**First payment of \$51,711.53 due one year from closing and Annual thereafter
(i.e. \$500,000.00 x .103423 = \$51,711.53)**

RATE: 3.49%

Please initial and circle the desired option.

As part of the proposal process, we encourage you to contact us to discuss the intricacies of our proposal and your specific goals. There are many variations available to our proposed financing structure, which can be "fine-tuned" as our dialog progresses.

The preceding costs are estimates and thus, the payment amount would be changed in proportion to the actual cost. The Vendor(s) will be paid upon the Lessee's authorization and the execution of mutually acceptable documentation.

THE ABOVE QUOTES ARE FIXED FROM APRIL 5, 2019 TO MAY 3, 2019 IN ANTICIPATION OF CLOSING / FUNDING BY THIS DATE. THEREAFTER, THE RATE WILL FLOAT AND NOT BE LOCKED IN UNTIL DOCUMENTS ARE PREPARED FOR CLOSING AND WILL BE BASED ON THE LIKE TERM SWAP RATES.

EQUIPMENT ACCEPTANCE DATE:

This proposal is based on both the assumption and the condition that any and all equipment will be delivered to and accepted by Lessee prior to April 5, 2020.

OPTION AT LEASE EXPIRATION:

At the lease expiration, the Lessee shall have the right to purchase the equipment for One dollar (\$1.00), assuming the lease is not in default and all terms and conditions of the lease have been met.

NET LEASE:

This lease will be a net lease transaction with maintenance, acceptable insurance coverage, taxes and any legal fees the responsibility of the Lessee.

LEASE AMORTIZATION SCHEDULE:

Amortization schedules with separate principal and interest cost breakdown will be provided with the final documentation.

WARRANTIES:

Lessor is bidding only as to the provision of lease purchase financing for the purchase cost of the equipment and will have no responsibility to the Lessee or any other person for the selection, furnishing, delivery, servicing or maintaining of the equipment. All equipment manufacturer or vendor warranties will be passed to the Lessee under the agreement.

NON-APPROPRIATION:

The lease payments shall be subject to annual appropriation for each fiscal year.

BANK OR NON-BANK QUALIFICATION:

Lessee reasonably anticipates the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2019, will not exceed ten million (\$10,000,000.00) dollars.

FINANCIAL STATEMENTS:

If applicable, Lessee shall furnish Lessor with its financial statement for the last three (3) fiscal years and its current year fiscal budget.

AUTHORIZED SIGNORS:

The Lessee's governing board shall provide MLC with its resolution or ordinance authorizing this Agreement and shall designate the individual(s) to execute all necessary documents used therein.

LEGAL OPINION:

The Lessee's counsel shall furnish MLC with an opinion of counsel letter covering this transaction and the documents used herein.

REIMBURSEMENT:

If Lessee intends to be reimbursed for any equipment cost associated with this agreement, intent for reimbursement from the proceeds of this Agreement must be evidenced, and must qualify under the Treasury Regulation Section 1.150.2.

DOCUMENTATION:

All documentation will be provided by Lessor, its Agents or Assignee, and must be satisfactory to all parties concerned.

ESCROW FUNDING:

- *If applicable*, an interest bearing escrow account will be established to make disbursements. The proceeds of the lease will be deposited into an Escrow Account. The fee on this account will be \$250.

We will need the following prior to disbursements from escrow:

1. Payment Request and Acceptance Certificate signed by authorized signer
2. Vendor invoice with payment instructions (wire or check)
3. W-9 for Vendor
4. Insurance Certificate – Listing the applicable property and liability coverage and listing the lease number, equipment and any VIN#'s or serial numbers.

PREPAYMENT OPTION:

The Lessee will have the option to prepay on any payment date for 102% of the remaining balance.

BASIS OF PROPOSAL:

This proposal is based upon financing being provided by Lessor and should not be construed nor relied upon as a commitment. Such a commitment is subject to formal credit review, approval and execution of mutually acceptable documentation. The contract, and not the proposal, will set forth the agreement between the parties.

We appreciate the opportunity to provide this proposal and look forward to working with you in the future. If the foregoing meets with the Town's approval, please date and sign the acceptance below and return the signed proposal to the undersigned via email or fax to 802-372-4775 and subsequently remit payment of \$695.00 for the Documentation Fee. Failure to consummate this transaction once credit approval is granted will result in a \$695.00 fee being assessed to the Town. Formal credit approval will be pursued upon receipt of the signed proposal and complete credit package. Credit approval normally takes ten (10) to fourteen (14) business days.

If you have any questions or need further information, please do not hesitate to contact me at 802-372-8435.

The foregoing is acknowledged and accepted as of the _____ day of _____, 2019.

Town of Kent, CT

By: _____

Title: _____

**Sincerely,
Reneé**

**Reneé M. Piché
President**