

**BOARD OF SELECTMEN
TOWN OF EAST WINDSOR
11 RYE STREET
BROAD BROOK, CT 06016**

Minutes of Regular Meeting

Tuesday, October 1, 2013 at 7:00 p.m.

These minutes are not official until approved at a subsequent meeting.

I. Call to Order

First Selectman Denise Menard called the Regular Meeting to Order at 7:00 p.m. in the Town Hall Conference Room.

II. Attendance

Present:

Denise Menard, First Selectman

Alan Baker, Deputy First Selectman

Dale Nelson, Selectwoman

Richard P. Pippin, Jr., Selectman

James C. Richards, Selectman (arrived at 7:06 p.m.)

III. Added Agenda Items

It was MOVED (Pippin) and SECONDED (Nelson) to add agenda item: Budget Transfers to XI: Budget Matters.

IV. Approval of Minutes

A. Regular Meeting of September 17, 2013

It was MOVED (Pippin) and SECONDED (Nelson) that the Board of Selectmen approve the Regular Meeting Minutes of September 17, 2013 with the following corrections: VI. Selectmen's Reports, item D. Richard Pippin, third line should read Newberry Village.

Motion PASSED. In favor – A. Baker, D. Nelson and R. Pippin; Absent – J. Richards; Opposed – None.

V. Communications

POCD 2014 Update

Selectman Nelson attended the Agriculture Commission meeting but there were not enough members present for a forum so the meeting was cancelled. There was discussion of the Plan of Conservation and Development and Ms. Nelson stated they are doing a good job. Selectman Menard commended Laurie Whitten for doing a great job coordinating the Plan.

VI. Selectmen's Reports

A. Denise Menard

Selectman Menard distributed her report, hereto attached as Exhibit A.

B. Alan Baker

Selectman Baker attended the Planning & Zoning Commission meeting on September 24, 2013. They held a public hearing to discuss a plan to build a gas station at the former East Windsor Diner on Route 5.

The Sports Dome issue with their lot was resolved.

Mr. Baker attended the Veterans Commission special meeting to discuss the possibility of donating to a WWII veteran who recently passed away.

The American Heritage River Commission will hold the Source to Sea Clean Up on Sunday, October 6, 2013 at Osborne Field at 10:00 a.m.

C. Dale Nelson

Selectman Nelson attended the Capital Improvement Plan meeting on September 23, 2013 and the Conservation and Agriculture Commission meeting on September 25, 2013.

Ms. Nelson attended the Housing Authority meeting on September 30, 2013 and reported they will be coming before the Board of Selectmen ("BOS") at the next meeting and asked to be put on the agenda to discuss PILOT. Mr. Mark Simmons attended his first Housing Authority meeting since becoming a member.

D. Richard Pippin, Jr.

Selectman Pippin attended the WPCA meeting on September 25, 2013 and reported a contract was signed for their roof repair. He stated they did a thorough job with design and engineering and he would like to give them credit.

Laura Michaels son Justin reported to the Marine Corps at Parris Island for training. Laura is very proud.

Selectman Pippin attended the Housing Authority meeting and said it was a good meeting. Selectman Menard received an email from the Director of the Housing Authority and they are very pleased with the demeanor of their newest member, Mr. Mark Simmons.

E. James Richards

Selectman Richards did not attend the Plan of Conservation and Development meeting because it was the same time as the Board of Education meeting which he did attend.

Mr. Richards cut the ribbon at the Economic Development Commission ceremony at Windsor Federal Savings grand opening. The bank held a Business After Hours event tonight that was attended by many people across the area including Selectman Richards.

Selectman Baker reported the grand opening of Broad Brook Brewing will be Thursday, October 3, 2013 from 2:00 p.m. – 7:00 p.m.

VII. Public Participation

Kathy Pippin, 37 Woolam Road, said she has been discouraging people who are not qualified from applying for the Charter Revision Commission.

VIII. Boards and Commissions Appointments

Resignations: None

Re-appointments:

Mark Simmons (R), Regular Member, for a term expiring 10/1/2018.

It was MOVED (Nelson) and SECONDED (Pippin) to re-appoint Mark Simmons, for a term expiring 10/1/2018, to the Housing Authority. In Favor – A. Baker, D. Nelson, R. Pippin and J. Richards. Opposed – None.

New Appointments: None

IX. Unfinished Business

None

X. New Business

A. Discussion of C-PACE Program

Selectman Menard told the attending representatives she was sorry for the delay in response to their calls.

Present for the discussion were: Attorney Despina Tartsinis (Sofia's Plaza); Genevieve Sherman (Clean Energy Finance and Investment Authority, "CEFIA"); Chris Scyocurka (Green Earth Energy) and Will McCalpin (C-PACE).

The Board of Selectmen received information regarding the program. Kim Lord provided a list of questions to CEFIA which were answered by their attorney and the BOS received copies of those questions and answers from the Town Attorney prior to tonight's meeting.

MOTION was made to recess for the Town Meeting at 7:28 p.m. MOVED (Pippin) and SECONDED (Nelson). Motion PASSED. In favor – A. Baker, D. Nelson, R. Pippin and J. Richards; Opposed – None.

The Board of Selectmen meeting was called back to Order at 7:45 p.m.

Selectman Nelson noted there are other energy efficiency programs available and asked why the Town should enroll in the C-PACE program. Ms. Sherman said there are State incentive programs to motivate people to pay for improvements out

of their own pocket but C-PACE is the only financing product specifically designed for these type of improvements. Selectman Baker expressed concern about the program not being of much benefit to the Town and it would be time consuming for employees, specifically the Tax Collector. Ms. Sherman stated the program does not reimburse for time but all other costs would be reimbursed, per the agreement.

C-Pace would work with providers to upgrade software and CEFIA would pay for the software and maintenance. The program is not a revenue generator for the Town, the benefit is for businesses to lower their operating costs. She said the Town can opt out at any time with a 60 day written notice.

Selectman Menard asked how many towns were currently enrolled in the C-PACE program. Ms. Sherman said 62 towns have passed resolutions with just under Fifteen Million Dollars in projects approved. Mr. Scyocurka stated there are five projects in East Windsor. He said 100% of the cost can be financed through C-PACE and it is fundamentally a twenty year program, allowing the cost to be spread out for that twenty years.

Selectman Menard expressed concern over businesses already having difficulty paying taxes and will now have less money because they are paying for this program. Ms. Sherman responded that taxes are always payable ahead of C-PACE and the businesses would be saving money on their monthly electric expenses, allowing the ability to pay taxes.

Attorney Tartsinis said customers need to pay their financial obligations and be approved by the electric company. They must be current on all taxes and have no liens on their property. Ms. Sherman added that each applicant would be required to go through a total financial background check.

Selectman Menard suggested speaking to Kim Lord to discuss what impact this program would have on the tax office. Selectman Pippin questioned whether or not the BOS could approve enrolling in the C-PACE program because it is a 10 year agreement and according to the Town Charter the BOS cannot sign more than a three year contract. The BOS will request a recommendation from the Town Attorney and information from the Tax Collector on how she will determine the time and cost to her office to put the program in place.

Motion was made to make a resolution to approve the C-PACE Agreement, hereto attached as Exhibit B. MOVED (Baker) and SECONDED (Richards). Motion PASSED. In favor- A. Baker, D. Nelson and J. Richards; Opposed – R. Pippin.

B. Establishment of a 2013-2015 Charter Revision Commission

The Board of Selectmen discussed establishing the Charter Revision Commission and the number of members who should be appointed to the Committee. Priority based on BOS review would be Finance, Chapter 8. Selectmen Menard suggested a transfer of \$10 to fund a line in the budget for the Charter Revision Commission.

Motion was made to establish a Charter Revision Commission consisting of five (5) regular members and two (2) alternate non-voting members to include one (1) Town Official. The Commission will be charged with review of the East Windsor Town Charter with recommended revisions to the Charter to be presented to the Board of Selectmen no later than July 15, 2014 and acted upon as prescribed by Connecticut General Statutes.

MOVED (Richards) and SECONDED (Nelson). In favor – A. Baker, D. Nelson, R. Pippin and J. Richards; Opposed – None.

C. Recommendations from the Capitol Improvement Planning (“CIP”) Committee

Selectman Nelson attended the CIP meeting on September 23, 2013 and felt it is a well rounded group. Selectman Menard stated the group worked well together and the public agreed. She recommended the Selectmen approve the recommendations made by the CIP and forward to the Board of Finance for approval.

Motion was made to approve the final recommendation for the 2013-2014 Capitol Improvement Planning projects in the amount of \$826,010.00. MOVED (Nelson) and SECONDED (Baker). Motion PASSED. In favor – A. Baker, D. Nelson, R. Pippin and J. Richards; Opposed – None.

Selectman Menard will send a memo to everyone on the CIP project list, they will need to pass all projects by the Building Committee.

XI. Budget Matters

A. Tax Refunds

Motion was made to accept tax refunds in the amount of \$2886.00. MOVED (Nelson) and SECONDED (Richards). Motion PASSED. In favor – A. Baker, D. Nelson, R. Pippin and J. Richards; Opposed – None.

B. Budget Transfers

Motion was made to approve transfer # S2013-45 in the amount of \$239,345.00 from Warehouse Point Fire Department to Warehouse Point Fire District. MOVED (Nelson) and SECONDED (Richards). Motion PASSED. In favor – A. Baker, D. Nelson, R. Pippin and J. Richards; Opposed – None.

XII. Executive Session

Pursuant to C.G.S. Section 1-200 (6) (a) Personnel & (b) Litigation
MOTION was made to enter Executive Session. MOVED (Pippin) and SECONDED (Nelson). The Board entered into Executive Session at 10:14 p.m.; came out of Executive Session at 10:56 p.m.
No action taken.

XIII. Adjournment

Motion to adjourn, made by J. Richards and seconded by D. Nelson. The meeting was adjourned at 10:56 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Heidi Vane".

Heidi Vane
Recording Secretary

October 1, 2013

My report to the Board of Selectmen

The Senior Center finally received the car we had been promising them. It is an old police Ford Crown Victoria with about 70,000 miles (if I remember correctly). It needed some maintenance/repair and a paint job. With the new decals similar to those on the senior vans, it is now officially a great addition to their fleet.



As a reminder, the Supervisor's and Clerical union contracts have been changed so that Town employees no longer have Election Day as a paid holiday. This will give anyone who comes in to vote the opportunity to catch up on any other Town business they might have. I expect it will be a busy office for every office.

I spoke with State Rep Chris Davis last week and he was going to check into status on our residents' water filtration issue. I also left a message for Senator LeBeau earlier this evening regarding what he knows. I will let everyone know when I have an update.

Financial department's updates:

Tax Collector - received 500 payments from delinquent motor vehicles. We are looking to possibly upgrade our current way of processing credit card payments. Another severely delinquent property is off our delinquent tax list. It was sold September 21 as the last step of the foreclosure process and the Town will receive the back taxes of \$40,000. Finally August 1, 2013 the Collector sent taxpayers with open balances that date back to January 2012 to the Marshal for collection.

Treasurer - has rehired a part time person to help with backlog of getting the financials ready for the audit. The auditors are expected to begin the audit November 1. We are also looking for some part time assistance to help with document retention for that office. There are strict state guidelines on archiving or destroying municipal documents and with the small staff in that office, they do not have the luxury of spending time on a serious look at document retention within their office.

Assessor - is handling 7 reval appeals. A large apartment complex has been notified of the law that renters must register vehicles in Town within 60 days or every October.

The Planner, Director of Public Works, Social Services Director, Police Chief and I were asked to present a "State of East Windsor" at TouchPoints at Chestnut to a group of residents and people from the Senior Center. We explained the Town service to those in attendance. It was well received.

The Building Committee met last night and is one step closer to getting plans and cost estimates for the replacement of the Town Hall heating and cooling system.

Enjoy this great weather - Denise

A handwritten signature in blue ink, appearing to read "Denise".

**COMMERCIAL PROPERTY ASSESSED
CLEAN ENERGY ("C-PACE") AGREEMENT**

THIS AGREEMENT is made and entered into as of the ____ day of _____, 2013, by and between East Windsor, **CONNECTICUT**, a municipal corporation organized and existing under the laws of the State of Connecticut (the "Municipality"), and the **CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY**, a public instrumentality and political subdivision of the State of Connecticut established under Public Act No. 11-80 (and codified in Section 16-245n of the Connecticut General Statutes) (the "Authority").

RECITALS

WHEREAS, Commercial Property Assessed Clean Energy ("C-PACE") is a program to facilitate loan financing for clean energy improvements to commercial properties by utilizing a state or local assessment mechanism to provide security for repayment of the loans.

WHEREAS, section 16a-40g, as amended, of the Connecticut General Statutes (the "Act") established the C-PACE program in Connecticut.

WHEREAS, subsection (b)(1) of the Act directs the Authority to establish a commercial sustainable energy program, and authorized the Authority to make appropriations for and issue bonds, notes or other obligations to finance the program costs. A commercial sustainable energy program is a program that facilitates energy improvements to commercial or industrial property and utilizes municipal benefit assessments authorized by the Act as security for financing the energy improvements.

WHEREAS, to secure financing for the program, the Authority and the municipality are authorized to enter into a written agreement, as approved by the municipality's legislative body, pursuant to which the municipality has agreed to assess, collect, remit and assign, benefit assessments to the Authority in return for energy improvements for benefited property owners within the municipality and for costs reasonably incurred by the municipality in performing such duties.

WHEREAS, this Agreement constitutes the written agreement authorized by the Act.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein and in order to effectuate the purposes of the Act, it is hereby agreed as follows:

Section 1 - Definitions.

(a) "Energy improvements" means (A) participation in a district heating and cooling system by qualifying commercial real property, (B) any renovation or retrofitting of qualifying commercial real property to reduce energy consumption, (C) installation of a renewable energy system to service qualifying commercial real property, or (D) installation of a solar thermal or geothermal system to service qualifying commercial real property, provided such renovation,

retrofit or installation described in subparagraph (B), (C) or (D) of this subdivision is permanently fixed to such qualifying commercial real property.

(b) "District heating and cooling system" means a local system consisting of a pipeline or network providing hot water, chilled water or steam from one or more sources to multiple buildings.

(c) "Qualifying commercial real property" means any commercial or industrial property, regardless of ownership, that meets the qualifications established for the commercial sustainable energy program.

(d) "Commercial or industrial property" means any real property other than a residential dwelling containing less than five dwelling units.

(e) "Benefited property owner" means an owner of qualifying commercial real property who desires to install energy improvements and provides free and willing consent to the benefit assessment against the qualifying commercial real property.

(f) "Commercial sustainable energy program" means a program that facilitates energy improvements and utilizes the benefit assessments authorized by this Agreement as security for the financing of the energy improvements.

(g) "Benefit assessment" means the assessment authorized by the Act.

Section 2 - Obligations of the Authority.

(a) **Program Requirements.** Pursuant to the Act, the Authority:

(1) shall develop program guidelines governing the terms and conditions under which state financing may be made available to the commercial sustainable energy program, including, in consultation with representatives from the banking industry, municipalities and property owners, developing the parameters for consent by existing mortgage holders and may serve as an aggregating entity for the purpose of securing state or private third-party financing for energy improvements pursuant to the Act,

(2) shall receive and review applications submitted by benefitted property owners within the Municipality for financing of energy improvements, and approve or disapprove such applications in accordance with underwriting procedures and requirements established by the Authority,

(3) shall prepare and deliver to the Municipality an annual report which shall contain information related to each qualifying commercial real property within the Municipality, including:

- i. A list of each qualifying commercial real property for which the benefitted property owner executed a financing agreement during the prior year;
- ii. A list of each qualifying commercial real property where all obligations under the financing agreement have been satisfied or paid in full during the prior year, including the satisfaction date and a copy of the notice of satisfaction;
- iii. the total benefit assessment payments made to the Authority in respect of all qualifying commercial real properties; and
- iv. for each non-satisfied (not paid in full) benefit assessment (including each benefit assessment approved in the prior year):
 - A. the date of the financing agreement,
 - B. the outstanding amount of the financing,
 - C. the total principal balance and accrued interest outstanding, and
 - D. the annual payment(s) due to the Authority (which shall include principal and accrued interest) associated with such benefit assessment (including the amount of accrued interest on the initial payment, if different).

(4) shall establish the position of commercial sustainable energy program liaison within the Authority,

(5) shall establish a loan loss reserve or other credit enhancement program for qualifying commercial real property,

(6) may use the services of one or more private, public or quasi-public third-party administrators to administer, provide support or obtain financing for the commercial sustainable energy program, and

(7) shall adopt standards to ensure that the energy cost savings of the energy improvements over the useful life of such improvements exceed the costs of such improvements.

(b) **Project Requirements.** If a benefitted property owner requests financing from the Authority for energy improvements under the Act, the Authority shall:

(1) require performance of an energy audit or renewable energy system feasibility analysis on the qualifying commercial real property that assesses the expected energy cost savings of the energy improvements over the useful life of such improvements before approving such financing,

(2) impose requirements and criteria to ensure that the proposed energy improvements are consistent with the purpose of the commercial sustainable energy program, and

(3) require that the property owner obtain the consent of any existing mortgage holder of such property, prior to the execution of the financing agreement or the recording of any lien securing a benefit assessment for energy improvements for such property, to have a benefit assessment lien levied on the property to finance such energy improvements pursuant to the Act.

(c) **Financing Agreement for Project.** The Authority may enter into a financing agreement with the property owner of qualifying commercial real property (the "Financing Agreement"). The Financing Agreement shall clearly state the estimated benefit assessment that will be levied against the qualifying commercial real property. The Authority shall disclose to the property owner the costs and risks associated with participating in the commercial sustainable energy program, including risks related to the failure of the property owner to pay the benefit assessment provided for in the Financing Agreement. The Authority shall disclose to the property owner the effective interest rate on the benefit assessment, including fees charged by the Authority to administer the commercial sustainable energy program, and the risks associated with variable interest rate financing, if applicable. The Authority shall notify the property owner that such owner may rescind any Financing Agreement entered into not later than three business days after such Financing Agreement is executed by the property owner and delivered to the Authority. The Financing Agreement shall provide for the consent of existing mortgage holders for the benefit assessment lien to be continued, recorded and released by the Municipality, as required by the Act and described in Section 3(c) herein.

(d) **Determination of Estimated and Final Benefit Assessments and Payments.**

(1) Upon execution of the Financing Agreement, the Authority shall determine the total benefit assessment amount, including fees charged by the Authority to administer the commercial sustainable energy program, and shall set a fixed or variable rate of interest for the repayment of the benefit assessment amount. Such interest rate, as may be supplemented with state or federal funding as may become available, shall be sufficient to pay the financing and administrative costs of the commercial sustainable energy program, including delinquencies. The Authority shall provide written notice of the total benefit assessment amount and interest rate to the Municipality.

(2) It is anticipated that the Authority will decide that the benefit assessment shall be payable in two equal payments respectively payable on July 1 and January 1 of each year so that they are due at the same time as the installments of the Municipality's real property taxes. If the Municipality changes its practices concerning the billing of annual real property taxes as to the number of installments and their due dates, the Authority will change its practices to the extent possible to correspond with the Municipality's practices.

Section 3 - Obligations of the Municipality.

(a) **Levy of Benefit Assessment.** Upon receiving written notice from the Authority of the benefit assessment as provided in Section 2(d)(1) herein, the Municipality shall promptly levy the benefit assessment against the qualifying commercial real property to be benefited by the energy improvements financed by the Authority and described in the Financing Agreement, and shall place a lien on the qualifying commercial real property to secure payment of the benefit assessment in the form of the attached Exhibit A ("Benefit Assessment Lien"). The Benefit Assessment Lien will have two attachments: (1) the legal description of the benefited property and (2) the Financing Agreement payment schedule provided by the Authority. As provided in the Act, the benefit assessments levied pursuant to this Agreement and the interest, fees and any penalties thereon shall constitute a lien against the qualifying commercial real property on which they are made until they are paid. The Authority will reimburse the municipality the cost charged by the Town Clerk for recording the Benefit Assessment Lien. Such Benefit Assessment Lien shall be levied and collected in the same manner as the property taxes of the Municipality on real property, including, in the event of default or delinquency, with respect to any penalties, fees and remedies and lien priorities as provided by the Act.

(b) **Continuation, Recording and Release of Lien.** As provided in the Act, each Benefit Assessment Lien shall be continued, recorded and released in the manner provided for property tax liens, subject to the consent of existing mortgage holders, and shall take precedence over all other liens or encumbrances except a lien for taxes of the Municipality on real property, which lien for taxes shall have priority over such benefit assessment lien. The Authority shall provide to the Municipality written notice of the consent of existing mortgage holders for the lien to be continued, recorded and released by the Municipality.

(c) **Assignment of Benefit Assessment Lien.**

(1) Upon the written request of the Authority, the Municipality shall assign, in the form of the attached Exhibit B, to the Authority any and all Benefit Assessment Liens filed by the Municipality's tax collector, as provided in this Agreement. The Authority may sell or assign, for consideration, any and all Benefit Assessment Liens received from the Municipality. The assignee or assignees of such Benefit Assessment Liens shall have and possess the same powers and rights at law or in equity as the Authority and the Municipality and its tax collector would have had if the Benefit Assessment Lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection. The assignee shall have the same rights to enforce such Benefit Assessment Liens as any private party holding a lien on real property, including, but not limited to, foreclosure and a suit on the debt. Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to the assignment and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.

(2) The Municipality hereby acknowledges that the Authority may sell or assign any and all Benefit Assessment Liens received from the Municipality under Section 3(c) of this Agreement to a trustee for the benefit of the holders of the Authority's bonds, notes or other obligations issued to finance the costs of the commercial sustainable energy program, and that the holders of the Authority's bonds, notes or other obligations will rely on the Municipality to levy, collect and remit the benefit assessments to the Authority. Therefore, the Municipality unconditionally agrees that in the event the Municipality does not discharge its duties under this Agreement, the trustee shall have the right to enforce the Municipality's obligations under this Agreement by institution of legal action against the Municipality.

(d) **Amendment of the Benefit Assessment Lien.** Pursuant to the Financing Agreement, the final amount of the benefit assessment may be adjusted after the levy of the Benefit Assessment Lien. Such an adjustment would likely be the result of a change in the energy improvement service contract amount during the construction period, a change in the amount of capitalized interest, or an amendment to the Financing Agreement. In the event that the final benefit assessment amount needs to be adjusted at the completion of the project, or any other time, the Authority will inform the Municipality of such change, provide the Municipality with an updated payment schedule and new lien amount, and the Municipality shall amend the Benefit Assessment Lien to reflect such adjustment. The Authority will reimburse the municipality the cost charged by the Town Clerk for amending the Benefit Assessment Lien.

(e) **Billing and Collection; Payment to the Authority.**

(1) The Municipality shall bill the benefit assessments in the same manner and at the same time as it bills its real property taxes. The benefit assessment payments shall be a separate clearly defined line item or separate bill and shall be due on the same dates as the Municipality's real property taxes. The amount of the benefit assessment will be recorded on the Municipality's tax rolls in the same manner as any other benefit assessment, such that the public will have access to its existence and payment status. The penalties and interest on delinquent benefit assessments shall be charged in the same manner and rate as the Municipality charges for delinquent real property taxes.

(2) Payments of the benefit assessments collected by the Municipality shall be segregated from all other funds of the Municipality and deposited in a separate account for the benefit of the Authority and identifying the Authority as the beneficial owner. The Municipality disclaims any ownership interest or other interests in such account or the amount collected.

(3) The Municipality shall pay all amounts collected with respect to the benefit assessments within any calendar month to the Authority or its assignee no later than thirty days after the month that the amounts are collected. The Municipality will provide monthly collection reports to the Authority, and the Authority, at its own expense, shall have the right to audit the records relating to the benefit assessments upon reasonable notice at reasonable times. The Authority and Municipality agree to provide each other with such reasonable

information as they may request and the Authority and the Municipality agree to provide such information in a computer format satisfactory to the other.

(f) Collection of Delinquent Payments.

(1) In the event that any benefited property owner fails to make a benefit assessment payment pursuant to the payment schedule of the Benefit Assessment Lien in any property tax billing cycle, the Municipality shall provide written notice to the Authority of such delinquency in a reasonably timely manner. After providing such notice to the Authority, the Municipality has no obligation to collect delinquent benefit assessment payments unless it enters into a separate agreement with the Authority described in the following subsection (2).

(2) If the Authority makes a written request to the Municipality for its assistance in the collection of delinquent benefit assessments and related charges, the Municipality, in its sole discretion, and the Authority may enter into a separate agreement for those services, which agreement shall provide for compensation to be paid to the Municipality for its collection services. The agreement may provide for the Municipality to pursue the collection of any delinquent benefit assessments with the same diligence it employs in the collection of the Municipality's real property taxes, including the commencement of foreclosure proceedings to the extent provided by the then-current statutes of the State of Connecticut, and to take such actions that are required to preserve the Benefit Assessment Lien securing the delinquent benefit assessments. The agreement may also provide that the Authority shall have the right to take over the enforcement of any delinquent benefit assessments upon written notice to the Municipality, and thereupon the Municipality will have no further responsibility to collect such amount.

(3) The Municipality will provide written notice to the Authority of any sale or assignment of its real property taxes or any institution of a judicial foreclosure or other proceeding against any real property for delinquent real property taxes if such real property is subject to a lien securing a delinquent benefit assessment. Similarly, the Authority shall provide written notice to the Municipality of the institution of a judicial foreclosure or other proceeding against any qualified commercial real property for a delinquent benefit assessment.

(g) Promotion of Program; Assistance for Authority Financing; Payment to Municipality.

(1) The Municipality shall use good faith efforts to assist the Authority in local marketing efforts and outreach to the local business community to encourage participation in the commercial sustainable energy program, such as including commercial sustainable energy program information on the Municipality's website, distributing an informational letter from chief elected official to local businesses regarding the program, and conducting one or more business roundtable event(s).

(2) The Municipality shall use good faith efforts to assist in gathering and providing information for the Authority to offer, sell and issue its bonds, notes or other obligations to provide funds for the commercial sustainable energy program.

(3) The Authority agrees to pay the Municipality annually a fee of \$500 (the "Annual Fee") for its services hereunder. In the event such payment is not sufficient to cover the Municipality's out of pocket costs and expenses in discharging its duties hereunder, the Authority shall reimburse the Municipality for its actual reasonable costs and expenses associated with the collection and enforcement of the benefit assessments in excess of the Annual Fee. Such costs and expenses include reasonable costs incurred by the Municipality in conjunction with any and all proceedings to collect and enforce the benefit assessments and delinquent benefit assessments, including foreclosure proceedings.

Section 4 - Indemnification.

The Authority agrees that it will protect, defend, indemnify and hold harmless the Municipality and its officers, agents and employees to the extent of available proceeds derived from the benefit assessments from and against all claims, demands, causes of action, damages, judgments, losses and expenses, including reasonable attorney's fees, arising out of or in connection with the actions of the Authority's officers, employees and agents under this Agreement. This provision shall survive termination of this Agreement.

Section 5 - Term.

The term of this Agreement shall commence upon the date first written above. This Agreement shall be in full force and effect until all of the benefit assessments have been paid in full or deemed no longer outstanding.

Section 6 -Default.

Each party shall give the other party written notice of any breach of any covenant or agreement under this Agreement and shall allow the defaulting party 30 days from the date of its receipt of such notice within which to cure any such default or, if it cannot be cured within the 30 days, to commence and thereafter diligently pursue to completion, using good faith efforts to effect such cure and to thereafter notify the other party of the actual cure of any such default. The parties shall have all other rights and remedies provided by law, including, but not limited to, specific performance, provided however, in no event shall either party have the right to terminate this Agreement prior to the expiration of the Term, except as provided in accordance with Section 7(c) of this Agreement.

Section 7 - Miscellaneous Provisions.

(a) **Assignment or Transfer.** Except as provided in Section 3(c) hereof, a party may not assign or transfer its rights or obligations under this Agreement to another unit of local

government, political subdivision or agency of the State of Connecticut or to a private party or entity without the prior written consent of the other party and, if required, the prior approval of the holders of the Authority's bonds, notes or other obligations. If approval of the assignment by the holders of the Authority's bonds, notes or other obligations is required, such approval shall be obtained in accordance with the indenture or other documents entered into by the Authority in connection with the bonds, notes or other obligations.

(b) **Amendment and Termination.** After the Authority sells and issues its bonds, notes or other obligations to finance the costs of the commercial sustainable energy program, this Agreement may not be amended or terminated by the parties without the prior approval of the holders of the Authority's bonds, notes or other obligations, which approval shall be obtained in accordance with the indenture or other documents entered into by the Authority in connection with the bonds, notes or other obligations.

(c) **Severability.** If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, provision or section has not been contained in it.

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

(e) **Notices.** All notices, requests, consents and other communications shall be in writing and shall be delivered, mailed by first class mail, postage prepaid, or overnight delivery service, to the parties, as follows:

If to the Municipality:

East Windsor Town Hall
11 Rye St
Broad Brook, CT 06016
Attention: Heidi M. Vane

If to the Authority:

Clean Energy Finance and Investment Authority
845 Brook Street
Rocky Hill, Connecticut 06067
Attention: President

(g) **Amendment and Waivers.** Except as otherwise set forth in this Agreement, any amendment to or waiver of any provision of this Agreement must be in writing and mutually agreed to by the Authority and the Municipality.

(h) **Applicable Law and Venue.** This Agreement and its provisions shall be governed by and construed in accordance with the laws of the State of Connecticut. In any action, in equity or law, with respect to the enforcement or interpretation of this Agreement, venue shall be in the State of Connecticut.

(i) **Entire Agreement.** This instrument constitutes the entire agreement between the parties and supersedes all previous discussions, understandings and agreements between the parties relating to the subject matter of this Agreement.

(j) **Headings.** The headings in this Agreement are solely for convenience, do not constitute a part of this Agreement and do not affect its meaning or construction.

IN WITNESS WHEREOF, the Municipality and the Authority have each caused this Agreement to be executed and delivered as of the date indicated above:

(SEAL)

ATTEST:

TOWN OF EAST WINDSOR

By: _____

Its: _____

**CLEAN ENERGY FINANCE AND
INVESTMENT AUTHORITY**

By: _____
Bryan T. Garcia, President

EXHIBIT A

CERTIFICATE OF LEVY AND LIEN OF BENEFIT ASSESSMENT

The undersigned Tax Collector of the City/Town of _____, Connecticut ("Municipality"), with an office at _____, _____, Connecticut, for and of behalf of the Clean Energy Finance and Investment Authority ("CEFIA"), with an office at 845 Brook Street, Rocky Hill, Connecticut 06067, pursuant to the Commercial Property Assessed Clean Energy Program established under Connecticut General Statutes Section 16a-40g, as amended (the "Act"), and the Municipal Agreement between the Municipality and CEFIA dated _____, 20____, HEREBY LEVIES A BENEFIT ASSESSMENT AGAINST AND LIEN UPON certain real property as described more particularly in the attached Exhibit A (the "Property") of the Finance Agreement, situated in the Municipality and owned on the date hereof in whole or in part by _____ (the "Property Owner") for energy improvements made or to be made to the Property. The amount and repayment of said levy and lien, as determined by CEFIA and provided to Municipality, are as follows: an installment payment plan is in effect for payment of the benefit assessment, and is based on the principal amount of the benefit assessment of \$ _____, plus any capitalized interest accrued on the initial and subsequent disbursements from CEFIA during the period of construction of the project with interest thereon at a fixed rate equal to _____% per annum, computed on the basis of a 360-day year and applied to the actual number of days elapsed, with equal installments of principal and interest due and payable, all as set forth in the attached Exhibit G of the finance agreement between Property Owner and CEFIA dated _____, 20____. In the event that any such installment shall remain unpaid for thirty days after the same shall become due and payable, interest and other charges shall be charged upon the unpaid installment(s) at the rate of 18% per annum, as provided by the Act and by law. At such time as the principal and interest payments of the benefit assessment have been satisfied and paid in full, a release of this Certificate shall be filed in the Land Records of the Municipality evidencing such release.

This Certificate constitutes a certificate of lien and is filed pursuant to the provisions of the Act to evidence a lien for the benefit assessment levied upon the Property for the special benefits conferred upon said Property by the renovation or retrofitting for energy improvements related thereto. Pursuant to the Act, this lien shall take precedence over all other liens or encumbrances except a lien for taxes of the Municipality on real property, which lien for taxes shall have priority over this lien.

The portion of this Certificate which constitutes a levy of benefit assessment and notice of installment payment of benefit assessments is filed pursuant to the provisions of the Act and the Connecticut General Statutes, as amended.

By order of the Tax Collector of the City/Town of _____.

Dated at _____, Connecticut this _____ day of _____, 2013.

Tax Collector

Received for Record: _____, 2013 at _____ A.M./P.M.

Recorded in the _____ Land Records at Volume _____, Page

City/Town Clerk

EXHIBIT B

ASSIGNMENT OF BENEFIT ASSESSMENT LIEN

KNOW ALL PERSONS BY THESE PRESENTS, that the CITY/TOWN OF _____, a Connecticut municipal corporation (hereinafter referred to as "Assignor"), acting herein by _____, its Tax Collector, duly authorized pursuant to a Municipal Agreement dated _____, 20____, between the Assignor and the Clean Energy Finance and Investment Authority (hereinafter referred to as "Assignee"), in consideration of One Dollar (\$1.00) and other valuable consideration paid to Assignor by the Assignee, the receipt of which is hereby acknowledged, hereby quit-claims, grants, bargains, sells, conveys, assigns, transfers and sets over unto Assignee, without warranty covenants and without recourse, all of its right, title and interest in and to that certain benefit assessment lien and the debts secured thereby together with such interest, fees, and expenses of collection as may be provided by law, filed by the _____ Tax Collector on the _____ Land Records, as described on Schedule A attached hereto and made a part hereof (the "Lien"), to have and to hold the same unto the said Assignee, its successor and assigns forever.

This Assignment is made, given and executed pursuant to the authority granted to Assignor as a municipality by Connecticut General Statutes Section 16a-40g, as amended.

By execution of this Assignment, the Assignor assigns to Assignee, and the Assignee assumes, all of the rights at law or in equity, obligations powers and duties as the Assignor and the Assignor's Tax Collector would have with respect to the Lien, if the Lien had not been assigned with regard to precedence and priority of such lien, the accrual of interest, charges, fees and expenses of collection, pursuant to Connecticut General Statutes Section 16a-40g, as amended.

This Assignment by the Assignor is absolute and irrevocable and the City/Town shall retain no interest, reversionary or otherwise, in the Lien.

IN WITNESS WHEREOF, we have hereunto set our hands and seal this ____ of _____, 20____.

Assignor

By _____
Tax Collector

STATE OF CONNECTICUT)
COUNTY OF _____)

ss.: _____

On this the _____ day of _____, 20____, before me _____, the undersigned officer, personally appeared _____, Tax Collector, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained and that he/she acknowledged the same to be his/her free act and deed, before me, in his/her capacity as said Tax Collector.

Commissioner of the Superior Court

APPROVING RESOLUTION

(Draft dated 8/16/12)

**CITY/TOWN OF _____
RESOLUTION TO APPROVE
COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY ("C-PACE")
AGREEMENT**

WHEREAS, Section 157 of Public Act No. 12-2 of the June 12, 2012 Special Session of the Connecticut General Assembly (the "Act") established a program, known as the Commercial Property Assessed Clean Energy (C-PACE) program, to facilitate loan financing for clean energy improvements to commercial properties by utilizing a state or local assessment mechanism to provide security for repayment of the loans; and

WHEREAS, the Act authorizes the Clean Energy Finance and Investment Authority (the "Authority"), a public instrumentality and political subdivision of the State charged with implementing the C-PACE program on behalf of the State, to enter into a written agreement with participating municipalities pursuant to which the municipality may agree to assess, collect, remit and assign, benefit assessments to the Authority in return for energy improvements for benefited property owners within the municipality and for costs reasonably incurred by the municipality in performing such duties; and

WHEREAS, the Commercial Property Assessed Clean Energy ("C-PACE") Agreement (the "C-PACE Agreement") between the City/Town of _____ and the Authority, as attached hereto, constitutes the written agreement authorized by the Act.

NOW, THEREFORE, BE IT RESOLVED:

(a) that we, the _____,
constituting the legislative body of the City/Town of _____,
hereby approves the C-PACE Agreement, and

(b) that _____ is hereby authorized and directed,
on behalf of the City/Town, to execute and deliver the C-PACE Agreement, substantially
in the form attached to this Resolution, for the purposes provided therein, together with
such other documents as he or she may determine to be necessary and appropriate to
evidence, secure and otherwise complete the C-PACE Agreement.