

**LEGAL NOTICE
TOWN OF CHAPLIN
WARNING OF
ANNUAL TOWN BUDGET MEETING
MAY 8, 2017**

The electors and those authorized to vote at town meeting are hereby warned that an Annual Town Budget Meeting will be held on May 8, 2017 at 6:00 PM at the Chaplin Senior Center, 132 Chaplin Street, Chaplin, Connecticut, for the purpose of taking action upon the following items:

1. To elect a moderator for said meeting;
2. To nominate and elect to the Regional Board of Education of Regional District #11 one member for a full term of three years to commence July 1, 2017;
3. To nominate and elect five members of the Recreation Commission for terms of two years to commence July 1, 2017;
4. Whereas the Town is applying for Local Capital Improvement Grant Funds: therefore, to resolve to approve the CIP plan for FY 2018-2022 (on file with the Town Clerk);
5. *To receive and approve the Annual Town Budget for the Fiscal Year July 1, 2017-June 30, 2018 in the amount of \$8,202,078 as submitted by the Board of Finance and to appropriate funds required; (contingent on asterisk *);
6. To appropriate for fiscal year 2017-2018 the transfer of an amount not to exceed \$203,288.99 from CIP Fund account 3315.1c – North Bear Hill Bridge to CIP Fund account 3305.9 – North Bear Hill Drainage;
7. To appropriate for fiscal year 2017-2018 the transfer of an amount not to exceed \$8,817.46 from CIP Fund account 3305.11 – Parish Hill Road Drainage to CIP Fund account 3305.13 – Equipment Replacement;
8. To appropriate for fiscal year 2017-2018 the transfer of an amount not to exceed \$24,711.39 from CIP Fund account 3305.11 – Parish Hill Road Drainage to CIP Fund account 3315.4 – Darling Pond;
9. To appropriate for fiscal year 2017-2018 the transfer of an amount not to exceed \$6,471.15 from CIP Fund account 3305.11 – Parish Hill Road Drainage to CIP Fund account 3320.11a – Playscape;
10. To appropriate for fiscal year 2017-2018 the transfer of an amount not to exceed \$5,305.18 from General Fund restricted account 10701.8 – Discovery Day to CIP Fund account 3320.11a – Playscape;
11. Public Hearings and possible action to:
 - a. amend the Farm Building Ordinance to increase the Tax Exemption.
 - b. extend the expiration date of the Ordinance Authorizing the Board of Selectmen to Accept Open Space Lands for five years.

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c. enact an Ordinance confirming membership in the Northeastern Connecticut Council of Governments

d. enact an Ordinance prohibiting the storage, disposal, or use of waste from oil and gas exploration or extraction activities or any derivative thereof, in the Town.

e. to repeal the following Ordinances:

- 1) Planning and Zoning Commission Fee Ordinance enacted in 2004
- 2) Ordinance to Control Abandoned, Inoperative and Junk Motor Vehicles enacted in 1987.

12. To approve a Resolution with an Agreement enabling participation in the C-PACE program.

13. *To discuss and determine, pursuant to the Police Protection Ordinance enacted July 20, 1998, whether the Selectmen may enter a contract with the State Police for a Resident State Trooper to serve the Town from July 1, 2017 to June 30, 2019.

14. To adjourn the meeting after completion of the foregoing business.

*At its meeting held on April 26, 2017 the Board of Selectmen voted, pursuant to CGS § 7-7, that items #5 and #13 of the Call of the Annual Town Meeting be submitted to a referendum vote at an Adjourned Town Meeting to be held May 16, 2017 at the Chaplin Firehouse, 106 Phoenixville Road (Rte. 198) in said Chaplin from 12:00 Noon to 8:00 P.M. The question on item #13 shall be advisory only, and the result not legally binding. The questions on the ballot label at said referendum shall read as follows:

1. "Shall the Town of Chaplin appropriate the sum of \$8,202,078 for the General Government and Education Expenditures for Fiscal Year July 1, 2017 through June 30, 2018 as recommended by the Board of Finance?"
2. "Should the Board of Selectmen enter a contract with the Connecticut State Police for a Resident State Trooper to serve the Town from July 1, 2017 to June 30, 2019?"

Absentee ballots shall be available as provided by law to persons applying in person at the office of the Town Clerk during its regular business hours. Copies of the proposed Annual Town Budget and the proposed Ordinances and Resolution are available for inspection in the Office of the Town Clerk.

Dated at Chaplin, Connecticut, this 26th day of April 2017.

/s/
Matthew Cunningham
William H. Rose IV
Irene Schein
CHAPLIN BOARD OF SELECTMEN

**ORDINANCE CONFIRMING MEMBERSHIP IN THE NORTHEASTERN
CONNECTICUT COUNCIL OF GOVERNMENTS**

BE IT HEREBY ENACTED BY THE TOWN OF CHAPLIN THAT pursuant to the authority provided by Chapter 98 of the Connecticut General Statutes, et seq., it is confirmed, adopted and enacted, in accordance with Section 4-124j of the Connecticut General Statutes that:

The Town of **Chaplin** has withdrawn its membership in the Windham Region Council of Governments, which no longer exists, and satisfied all legal obligations it ever had to said entity; that the Town of **Chaplin** formally confirms and renews its prior adoption of Connecticut General Statutes sections 4-124i to 4-124p, inclusive, and its membership in the Northeastern Connecticut Council of Governments in accordance with the procedures set forth in Section 4-124j of the Connecticut General Statutes; and that the Town of **Chaplin** thereby replaces its ordinances pertaining to councils of governments enacted on June 30, 1965 and May 12, 1997.

Dated at Chaplin, Connecticut this ___ day of _____ 2017

TOWN OF CHAPLIN

ORDINANCE PROHIBITING THE STORAGE, DISPOSAL OR USE OF WASTE FROM OIL AND GAS EXPLORATION OR EXTRACTION ACTIVITIES, OR ANY DERIVATIVE THEREOF, IN THE TOWN OF CHAPLIN, CONNECTICUT.

Section 1. Purpose.

The purpose of this Ordinance is to protect and preserve the water quality, agricultural lands, environmental quality and quality of life in the Town of Chaplin.

Section 2. Definitions.

As used in this Ordinance, the following terms shall have the meanings indicated:

APPLICATION - The physical act of placing or spreading natural gas waste or oil waste on any road or real property located within the Town of Chaplin.

HYDRAULIC FRACTURING - The fracturing of underground rock formations, including shale and non-shale formations, by man-made fluid-driven techniques for the purpose of stimulating oil, natural gas, or other subsurface hydrocarbon production.

NATURAL GAS EXTRACTION ACTIVITIES - All geologic or geophysical activities related to the exploration for or extraction of natural gas, including, but not limited, to, core and rotary drilling and hydraulic fracturing.

NATURAL GAS WASTE -

- A. Any liquid or solid waste or its constituents, that is generated as a result of natural gas extraction activities, which may consist of, brine, chemicals, naturally occurring radioactive materials, heavy metals, or other contaminants;
- B. Leachate from solid wastes associated with natural gas extraction activities;
- C. Any waste that is generated as a result of or in association with the underground storage of natural gas;
- D. Any waste that is generated as a result of or in association with liquefied petroleum gas well storage operations; and
- E. Any products or byproducts resulting from the treatment, processing, or modification of any of the above wastes.

OIL EXTRACTION ACTIVITIES - All geologic or geophysical activities related to the exploration for or extraction of oil, including, but not limited to, core and rotary drilling and hydraulic fracturing.

OIL WASTE -

- A. Any liquid or solid waste or its constituents that is generated as a result of oil extraction activities, which may consist of water, brine, chemicals, naturally occurring radioactive materials, heavy metals, or other contaminants;
- B. Leachate from solid wastes associated with oil extraction activities; and
- C. Any products or byproducts resulting from the treatment, processing, or modification of any of the above wastes.

TOWN - The Town of Chaplin, CT.

Section 3. Prohibitions.

- A. The application of natural gas waste or oil waste, whether or not such waste has received Beneficial Use Determination or other approval for use by the Connecticut Department of Energy & Environmental Protection (DEEP) or any other regulatory body, on any road or real property located within the Town for any purpose is prohibited.
- B. The introduction of natural gas waste or oil waste into any solid waste management facility within or operated by the Town is prohibited.
- C. The storage, disposal, sale, acquisition, handling, treatment and/or processing of waste from natural gas or oil extraction activities is prohibited within the Town.

Section 4. Provision to be included in bids and contracts for construction or maintenance of Town roads and real property.

- A. All bids and contracts related to the purchase or acquisition of materials to be used to construct or maintain any publicly owned and/or maintained road or real property within the Town shall include a provision stating that the materials shall not contain natural gas waste or oil waste.
- B. All bids and contracts related to the solicitation of services to construct or maintain any publicly owned and/or maintained road or real property within the Town shall include a provision stating that no materials containing natural gas waste or oil waste shall be utilized in providing such services to the Town.
- C. The following statement, which shall be a sworn statement under penalty of perjury, shall be included in all bids related to the purchase or acquisition of materials to be used to construct or maintain any publicly owned and/or maintained road or real property within the Town, and all bids related to the solicitation of services to construct or maintain any publicly owned and/or maintained road or real property within the Town: "We, _____ hereby submit a bid for materials, equipment and/or labor to the Town of Chaplin. The bid is for bid documents titled _____. We hereby certify under penalty of perjury that, if this bid is selected, no natural gas waste or oil waste will be used by the undersigned bidder in the performance of the contract. We further certify that no subcontractor, agent or vendor will be allowed or permitted to use materials containing natural gas waste or oil waste."

Section 5. Penalties.

In addition to any other remedy the Town has in law or in equity, the First Selectman or his or her designee is hereby authorized to issue written orders directing any person in violation of this ordinance to cease activities that do or may violate this ordinance, where such activities cause injury or damage to property, whether such property be land, a road, a building an aquifer, a well, watercourse or other asset, public or private, within the Town. A violation of this ordinance may be punished by a fine not exceeding \$250 per day, with each day any violation of this ordinance shall continue constituting a separate offense. The First Selectman or his or her designee may also order such person to remedy any injury and damage and at the violator's sole cost and expense to restore the property to the condition it was in prior to such injury or damage. An order issued by the First Selectman or his or her designee under this Section shall be final upon issuance.

Section 6. Transportation.

Nothing in this ordinance shall be interpreted to ban the transportation of any product or by-product described

AMENDMENT TO THE FARM BUILDING EXEMPTION ORDINANCE

The "Farm Building Exemption Ordinance" enacted by a Special Town Meeting on November 26, 2007 is amended as follows:

The second paragraph of the said Ordinance, is repealed and replaced as follows:

"Pursuant to the authority of Connecticut General Statutes section 12-91(c), there is hereby created an exemption from property tax for any building to the extent of an assessed value of **one hundred thousand dollars (\$100,000.00)** used actually and exclusively in farming, as defined in Connecticut General Statutes section 1-1. Such exemption shall not apply to any residence of such farmer, and shall be subject to the application and qualification process provided in subsection (d) of section 12-91.

Dated at Chaplin, Connecticut this ____ day of _____, 2017

REPEAL OF JUNE 1, 1987 JUNK MOTOR VEHICLES ORDINANCE

The Ordinance To Control Abandoned, Inoperative and Junk Motor Vehicles enacted at a Special Town Meeting on June 1, 1987 is repealed in favor of regulation by the Zoning Regulations of the Town of Chaplin, and Enforcement pursuant to the Town of Chaplin Zoning Violations Ordinance enacted by the Special Town Meeting on December 5, 2012.

Dated at Chaplin, Connecticut this ___ day of _____, 2017

REPEAL OF NOVEMBER 30, 2004 PZC FEE ORDINANCE

The Planning and Zoning Commission Fee Ordinance enacted at a Special Town Meeting on November 30, 2004, having been replaced by the August 10, 2010 Special Town Meeting approval of An Ordinance Authorizing Land Use Agencies to Establish Reasonable Fees for Processing Applications and Retain Technical or Professional Consultants, said November 30, 2004 PZC Fee Ordinance is hereby repealed and of no effect.

Dated at Chaplin, Connecticut this ___ day of _____ 2017

AMENDMENT TO THE AUGUST 18, 2010 OPEN SPACE LANDS ORDINANCE

“An Ordinance Authorizing the Board of Selectmen to Accept Open Space Lands for the Municipality” enacted at a Special Town Meeting on August 18, 2010 is amended as follows:

The second paragraph of said Ordinance, labeled **INTENT** is repealed and replaced as follows:

“INTENT:

The intent of this ordinance is to transfer the legislative authority of the town meeting to accept open space land on behalf of the Town of Chaplin for a period of ten (10) years beginning on September 5, 2010, the effective date of this Ordinance, and ending on September 5, 2020.”

Dated at Chaplin, Connecticut this ___ day of _____, 2017

TOWN OF CHAPLIN, CONNECTICUT

RESOLUTION TO APPROVE

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

WHEREAS, Section 16a-40g, as amended, of the Connecticut General Statutes (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 Connecticut Green Bank (the "Green Bank"), 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 Green Bank 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 Town of Chaplin and the Green Bank, attached hereto, constitutes a written agreement authorized by the Act.

NOW, THEREFORE, BE IT RESOLVED:

(a) that we, the Town Meeting of the Town of Chaplin, constituting the legislative body of the Town of Chaplin, hereby approve the C-PACE Agreement, and

(b) that the First Selectman is hereby authorized and directed, on behalf of the 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 may determine to be necessary and appropriate to evidence, secure and otherwise complete the C-PACE Agreement.

Dated at Chaplin, CT this ____ day of May, 2017.

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

THIS AGREEMENT is made and entered into as of the ____ day of _____, 2017, by and between **CHAPLIN, CONNECTICUT**, a municipal corporation organized and existing under the laws of the State of Connecticut (the "Municipality"), and the **CONNECTICUT GREEN BANK**, a quasi-public agency of the State of Connecticut, having its business address at 845 Brook Street, Rocky Hill, Connecticut 06067 (the "Green Bank").

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 Green Bank to establish a commercial sustainable energy program, and authorizes the Green Bank 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 Green Bank 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 Green Bank 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 a 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) participation in a microgrid, as defined in section 16-243y, including any related infrastructure for such microgrid, by qualifying commercial real property, provided such microgrid and any related infrastructure incorporate clean energy, as defined in section 16-245n, as amended by this act, (C) any renovation or retrofitting of qualifying commercial real property to reduce energy consumption, (D) installation of a renewable energy system to service qualifying commercial real property, or (E) installation of a solar thermal or geothermal system to service qualifying commercial real property, provided such renovation, retrofit or installation described in subparagraph (C), (D) or (E) of this subdivision is permanently fixed to such qualifying commercial real property. V082515 - 2 -

- (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 Green Bank.

- (a) Program Requirements. Pursuant to the Act, the Green Bank:
- (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 Green Bank;
 - (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 Green Bank 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 Green Bank (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 Green Bank;

(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 Green Bank for energy improvements under the Act, the Green Bank 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 Green Bank 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 Green Bank 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 Green Bank shall disclose to the property owner the effective interest rate on the benefit assessment, including fees charged by the Green Bank to administer the commercial sustainable energy program, and the risks associated with variable interest rate financing, if applicable. The Green Bank 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 Green Bank. 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 Green Bank shall determine the total benefit assessment amount, including fees charged by the Green Bank 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 Green Bank shall provide written notice of the total benefit assessment amount and interest rate to the Municipality.

(2) It is anticipated that the Green Bank 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 Green Bank 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 Green Bank 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 Green Bank 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 Green Bank. 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 Green Bank 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 Green Bank 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 Green Bank, the Municipality shall assign, in the form of the attached Exhibit B, to the Green Bank any and all Benefit Assessment Liens filed by the Municipality's tax collector, as provided in this Agreement. The Green Bank 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 Green Bank 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 Green Bank 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 Green Bank's bonds, notes or other obligations issued to finance the costs of the commercial sustainable energy program, and that the holders of the Green Bank's bonds, notes or other obligations will rely on the Municipality to levy, collect and remit the benefit assessments to the Green Bank. 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 Green Bank 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 Green Bank will reimburse the Municipality the cost charged by the Town Clerk for amending the Benefit Assessment Lien.

(e) Billing and Collection; Payment to the Green Bank.

(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 Green Bank and identifying the Green Bank 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 Green Bank or its assignee no later than thirty days after the month that the amounts are collected. The Municipality will provide collection reports to the Green Bank, and the Green Bank, at its own expense, shall have the right to audit the records relating to the benefit assessments upon reasonable notice at reasonable times. The Green Bank and Municipality agree to provide each other with such reasonable information as they may request and the Green Bank 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 Green Bank of such delinquency in a reasonably timely manner. After providing such notice to the Green Bank, the Municipality has no obligation to collect delinquent benefit assessment payments unless it enters into a separate agreement with the Green Bank described in the following subsection (2).

(2) If the Green Bank 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 Green Bank 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 Green Bank 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 Green Bank 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 Green Bank 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 Green Bank Financing; Payment to Municipality.

(1) The Municipality shall use good faith efforts to assist the Green Bank 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 Green Bank to offer, sell and issue its bonds, notes or other obligations to provide funds for the commercial sustainable energy program.

(3) The Green Bank 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 Green Bank 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 Green Bank 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 Green Bank'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. The Municipality may opt-out of continuation in the program at any time on sixty (60) days advance notice to the Green Bank, provided that the provisions of this Agreement shall continue with regard to benefit assessments assessed prior to such termination date until those benefit assessments have been paid in full or are 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 Green Bank's bonds, notes or other obligations. If approval of the assignment by the holders of the Green Bank'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 Green Bank in connection with the bonds, notes or other obligations.

(b) Amendment and Termination. After the Green Bank 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 Green Bank's bonds, notes or other obligations, which approval shall be obtained in accordance with the indenture or other documents entered into by the Green Bank 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:

First Selectman, Town of Chaplin
495 Phoenixville Road
Chaplin, CT 06235

If to the Green Bank:

Connecticut Green Bank
845 Brook Street
Rocky Hill, Connecticut 06067
Attention: President

(f) 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 Green Bank and the Municipality.

(g) 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.

(h) 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.

(i) 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 Green Bank have each caused this Agreement to be executed and delivered as of the date indicated above:

(SEAL)

ATTEST:

TOWN OF CHAPLIN

WITNESSETH:

By _____
Matthew Cunningham, First Selectman
Duly Authorized

: _____

CONNECTICUT GREEN BANK

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 on behalf of the Connecticut Green Bank (the "Green Bank"), formerly known as the Clean Energy Finance and Investment Authority, 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 Green Bank dated _____, 20____, HEREBY LEVIES A BENEFIT ASSESSMENT AGAINST AND LIEN UPON certain real property commonly referred to as _____ and described more particularly in the attached **Exhibit A** (the "Property"), situated in the Municipality and owned on the date hereof in whole or in part by _____ (the "Property Owner"), said levy and lien shall secure the repayment of financing for energy improvements made or to be made to the Property pursuant to that certain Financing Agreement between Property Owner and Green Bank dated _____, 2015, as may be amended (the "Financing Agreement"). The amount and repayment of said levy and lien, as determined by Green Bank 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 \$ _____, with interest thereon at a fixed rate equal to _____% per annum, with equal installments of principal and interest due and payable pursuant to the Financing Agreement, all as set forth in the attached **Exhibit B**. 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. For the purposes of this lien, the Green Bank and any future successors, assigns or heirs of such lien shall be bound by and irrevocably subordinated to any environmental land use restriction recorded on the land records of the Municipality pursuant to Conn. Gen. Stat. § 22a-133o after this lien is filed on the land records of the Municipality.

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 _____, 20____.

Tax Collector
Received for Record: _____, 20____ 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 Connecticut Green Bank (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, on property owned on the date hereof in whole or in part by _____ and as described on **Exhibit A** and also commonly referred to as _____, 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) ss.: _____

)
COUNTY OF _____)

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