



Board of Finance

Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor

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1. Agenda

Subject	1.1. Motion to adopt agenda
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	1. Agenda
Department	Council and Board
Type	Action Procedural
Recommended Action	Motion to adopt agenda

2. Public Forum

Subject	2.1. Verbal Comments
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	2. Public Forum
Department	Council and Board

Type	Action Procedural
Recommended Action	open Public Forum close Public Forum

3. Consent Agenda

Subject	3.1. Motion to adopt the consent agenda and take the actions indicated
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	3. Consent Agenda
Department	Council and Board
Type	Action (Consent) Procedural
Recommended Action	Motion to adopt the consent agenda and take the actions indicated

Subject	3.2. October 6, 2025 Board of Finance Meeting Minutes - DFA
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	3. Consent Agenda
Department	Department of Finance and Administration
Type	Action (Consent) Information Minutes
Recommended Action	approve the minutes

Subject	3.3. Church Street Marketplace - 62 Church Street Storefront - Authorization to Award Lease
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	3. Consent Agenda
Department	Church St. Marketplace
Type	Action (Consent)
Recommended Action	to approve and recommend that the City Council authorize the Mayor to execute a three-year lease with Olive & Ollie LLC for retail operations in the 62 Church Street property, subject to final review and approval by the City Attorney's Office

Subject	3.4. EV Site License Agreement - Electric
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	3. Consent Agenda

Department	Burlington Electric Department
Type	Action (Consent)
Recommended Action	to approve and recommend approval to the City Council that the General Manager or their delegee may execute with one or more sites the generic EV site license agreement presented, with any specific site terms added as necessary and with review by the City Attorney's Office
Subject	3.5. Purchase of BFD Ambulance - Fire
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	3. Consent Agenda
Department	Fire Department
Type	Action (Consent)
Recommended Action	move to approve and recommend that the Board of Finance authorize the Chief Administrative Officer, or her designee, to effectuate necessary budget amendments and the transfer of funds in the amount of \$415,206 from the FY26 Unassigned Fund Balance to allow the Burlington Fire Department to complete the purchase of one (1) replacement ambulance

4. Deliberative Agenda

Subject	4.1. Memorandum of Understanding (MoU) between the Friends of the Fletcher Free Library (Friends) and the Fletcher Free Library—City of Burlington - Library
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	4. Deliberative Agenda
Department	Fletcher Free Library
Type	Action
Recommended Action	to approve and recommend that the City Council authorize the Director of the Fletcher Free Library to execute a Capital Campaign Memorandum of Understanding with the Friends of the Fletcher Free Library subject to review and approval of the City's Attorney
Subject	4.2. Request to execute a ground lease agreement with Beta Technologies - Airport
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	4. Deliberative Agenda
Department	Airport
Type	Action

Recommended Action to approve and recommend that the City Council authorize the Mayor of the City of Burlington to execute the lease with Beta Technologies at the Patrick Leahy Burlington International Airport, subject to final review and approval by the City Attorney's Office, and to take such further actions and execute such further instruments approved as to form by the City Attorney's Office as may be necessary or convenient to effectuate the transactions contemplated hereby

Subject 4.3. Authorization For Public Improvement Bonds For School District Capital Improvements - March 7, 2017 Voter Authorization - DFA

Meeting October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 4. Deliberative Agenda

Department Department of Finance and Administration

Type Action
Resolution

Recommended Action to recommend that the City Council approve the attached resolution

Subject 4.4. Authorization For School District Capital Improvement Bonds For Burlington High School -- November 8, 2022 Voter Authorization - DFA

Meeting October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 4. Deliberative Agenda

Department Department of Finance and Administration

Type Action
Resolution

Recommended Action to recommend that the City Council approve the attached resolution

Subject 4.5. Town Meeting TV FY25 Update and FY26/Municipality's FY27 Budget Request

Meeting October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 4. Deliberative Agenda

Department Department of Finance and Administration

Type Information

Subject 4.6. Proposed Changes to BED Miscellaneous Service Fees - Electric

Meeting October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 4. Deliberative Agenda

Department Burlington Electric Department

Type Action

Recommended Action to approve and recommend the City Council authorize the General Manager of the Burlington Electric Department or their designee to file tariff amendments and supporting documents with the Vermont Public Utility Commission requesting changes in Burlington Electric Department's Miscellaneous Service Fees as proposed

5. Adjournment

Subject	5.1. Motion to adjourn
Meeting	October 21, 2025 - Board of Finance Meeting - Tuesday, October 21, 2025, 5:00 PM, Bushor Conference Room, 149 Church Street, 1st Floor
Category	5. Adjournment
Department	Council and Board
Type	Action Procedural
Recommended Action	Motion to adjourn



**BURLINGTON BOARD OF FINANCE
BUSHOR CONFERENCE ROOM, 149 CHURCH STREET, 1ST FLOOR
MINUTES OF MEETING
October 6, 2025**

1. Agenda

1. Agenda

Mayor Mulvaney-Stanak convened the meeting at 5:31 pm.

Members present: Mayor Mulvaney-Stanak, CAO Schad, Councilors Carpenter and Barlow (all in person); City Council President Traverse and Councilor Neubieser (both online)

Subject

1.1. Motion to adopt agenda

Meeting

October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category

1. Agenda

Department

Council and Board

Type

Action
Procedural

Recommended Action Motion to adopt agenda

1.1. Motion to adopt agenda

Motion made by Councilor Carpenter, seconded by Councilor Barlow, to adopt the agenda as presented. Motion passed unanimously.

2. Public Forum

2. Public Forum

Subject

2.1. Verbal Comments

Meeting

October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category

2. Public Forum

Department

Council and Board

Type

Action
Procedural

Recommended Action open Public Forum
 close Public Forum

2.1. Verbal Comments

Alan Bjerke: delinquent property taxes

Sharon Bushor: \$4.6 million - 32 props \$2.25 million; AGO includes benefits? nature based-no Edmunds/no BHS

3. Consent Agenda

3. Consent Agenda

Motion made by Councilor Carpenter, seconded by Councilor Barlow, to adopt the consent agenda as presented. Motion passed unanimously.

Subject **3.1. Motion to adopt the consent agenda and take the actions indicated**

Meeting October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 3. Consent Agenda

Department Council and Board

Type Action (Consent)
 Procedural

Recommended Action Motion to adopt the consent agenda and take the actions indicated

3.1. Motion to adopt the consent agenda and take the actions indicated

Subject **3.2. September 29, 2025 Board of Finance Meeting Minutes - CT**

Meeting October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 3. Consent Agenda

Department Clerk/Treasurer's Office

Type Action (Consent)
 Communication
 Information

Recommended Action approve the minutes

3.2. September 29, 2025 Board of Finance Meeting Minutes - CT

Subject **3.3. The Black Experience 2026 and Annual Jeb Kulu West African Dance and Drum Festival Sponsorships - REIB**

Meeting October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 3. Consent Agenda

Department Racial Equity, Inclusion, & Belonging (REIB)

Type Action (Consent)

Recommended Action The Office of Racial Equity, Inclusion, and Belonging requests the Board of Finance approve the following motions:
 1. To approve and authorize the Interim Director of the Racial Equity Inclusion and Belonging Office and the Chief Administrative Officer to issue a sponsorship grant in the amount of \$20,000 to nuwave to support The Black Experience 2026 programming from the Community Celebrations GL subject to the review and approval of the City Attorney's Office.
 2. To approve and authorize the Interim Director of the Racial Equity Inclusion and Belonging Office and the Chief Administrative Officer to issue a sponsorship grant in the amount of \$1,810 to Jeh Kulu Dance and Drum Theater from the Community Celebrations GL subject to the review and approval of the City Attorney's Office

3.3. The Black Experience 2026 and Annual Jeb Kulu West African Dance and Drum Festival Sponsorships - REIB

Subject 3.4. VT Center for Crime Victim Services "Victims of Crime Act" (VOCA) grant (Grant # 02160-VOCA23-4009608-2026 - CEDO/CJC)

Meeting October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 3. Consent Agenda

Department Community & Economic Development Office (CEDO)

Type Action (Consent)

Recommended Action to approve and recommend that the City Council approve the acceptance of Grant # : 02160-VOCA23-4009608-2026 in the amount of \$140,164 for FY26 and to authorize CEDO Director Alnasrawi or her designee to sign the grant acceptance and to take such further actions and execute such further instruments as may be necessary or convenient to effectuate the transactions contemplated hereby, subject to review and approval by the City Attorney's Office, including acceptance of any additional amounts that may become available during the same fiscal year from the same source that do not require a local match or place new conditions on the City

3.4. VT Center for Crime Victim Services "Victims of Crime Act" (VOCA) grant (Grant # 02160-VOCA23-4009608-2026 - CEDO/CJC)

4. Deliberative Agenda

4. Deliberative Agenda

Subject 4.1. CEDO, Community Justice Center - Reclassification of one position from Limited Service to Regular - CEDO/CJC

Meeting October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 4. Deliberative Agenda

Department Community & Economic Development Office (CEDO)

Type Action

Recommended Action move to approve and recommend that the City Council approve the reclassification of the following position retroactive for July 1, 2025:
• A BARJ Coordinator, from a Limited Service, Full-Time, Non-Exempt, AFSCME, Grade 16 position to a Regular Service, Full-Time, Non-Exempt, AFSCME, Grade 16 position

4.1. CEDO, Community Justice Center - Reclassification of one position from Limited Service to Regular - CEDO/CJC

Motion made by Councilor Carpenter, seconded by Councilor Barlow, to approve the motion as presented. Motion passed unanimously.

Subject 4.2. Creation of one position at CJC - CEDO/CJC

Meeting October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 4. Deliberative Agenda

Department Community & Economic Development Office (CEDO)

Type Action

Recommended Action to approve and recommend that City Council approve the creation of the Adult Restorative Services Coordinator position within CEDO, a Regular Service, Full-time, Union, Grade 16, position

4.2. Creation of one position at CJC - CEDO/CJC

Motion made by Councilor Barlow, seconded by Councilor Carpenter, to approve the motion as presented. Motion passed unanimously.

Subject 4.3. Creation of a Limited Service Position: Nature-Based Climate Solutions Field Coordinator - BPRW

Meeting October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM, Bushor Conference Room, 149 Church Street, 1st Floor

Category 4. Deliberative Agenda

Department Parks, Recreation, & Waterfront

Type Action

Recommended Action to approve and recommend that City Council approve and authorize the creation of the Nature-Based Climate Solutions Field Coordinator position within BPRW, a Limited Service, Full-time, AFSCME Grade 15 position

4.3. Creation of a Limited Service Position: Nature-Based Climate Solutions Field Coordinator - BPRW

Motion made by Councilor Barlow, seconded by Councilor Carpenter, to approve the motion as presented. Motion passed unanimously.

5. Adjournment

5. Adjournment

Subject

5.1. Motion to adjourn

Meeting

October 6, 2025 - Board of Finance Meeting - Monday, October 6, 2025, 5:30 PM,
Bushor Conference Room, 149 Church Street, 1st Floor

Category

5. Adjournment

Department

Council and Board

Type

Action
Procedural

Recommended Action

Motion to adjourn

5.1. Motion to adjourn

Mayor Mulvaney-Stanak adjourned the meeting at 5:52 pm.

MEMORANDUM

To: Board of Finance and City Council

From: Samantha McGinnis, Director, Church Street Marketplace

Date: October 10, 2025

Re: Church Street Marketplace – 62 Church Street Storefront - Authorization to Award Lease

REQUEST

The Church Street Marketplace seeks Board of Finance recommendation to enter into a three-year lease agreement, November 1, 2025 through October 31, 2028, with Olive & Ollie LLC for retail vending operations within the City-owned building located at 62 Church Street.

BACKGROUND AND LESSEE SELECTION

The 62 Church Street property is a 520 square foot building located on the third block of the Church Street Marketplace, between Cherry and Bank Streets, at the entrance to Leahy Way. The property was built in 1982 and operated as a florist shop until 2009. Most recently, it was occupied by a clothing retailer Whim Boutique, who exited their lease in August 2025.

In July 2025, the Church Street Marketplace issued a request for proposals (RFP) for entrepreneurs to lease and operate their business out of the 62 Church Street property. In addition to posting on the City RFP webpage, the RFP was also sent to the merchants on the Marketplace. The RFP included a detailed scope of work requesting consistent year-round operations, affordable and varied offerings, and maintaining the physical aspects of the property. There were no responses to this initial RFP so it was reposted in August 2025.

Two proposals were received from the August RFP posting. A panel of department staff and Church Street Marketplace Commissioners were convened to review the proposals and grade them on four criteria outlined in the RFP. Olive & Ollie LLC's proposal, for a children's clothing store, scored the highest and was brought forward to the Church Street Marketplace Commission. In September 2025, the Marketplace Commission unanimously approved the awarding of a three-year lease for 62 Church Street to Olive & Ollie LLC.

REVENUE

Lease of the 62 Church Street Property, will generate revenue for the Church Street Marketplace Department. Olive & Ollie LLC has agreed to pay a rental fee of \$20,800 per year. In addition, Olive & Ollie LLC is responsible for the Church Street common area fee of \$3.02 per square foot and property tax. The lease includes an option to extend for one additional two-year term. Minimum annual revenue is laid out below:

Year	Annual Rent	Common Area Fee	Total
1	\$20,800	\$1,595.38	\$22,395.38
2	\$20,800	\$1,595.38	\$22,395.38
3	\$20,800	\$1,595.38	\$22,395.38

ATTACHMENTS

1. Draft Lease Agreement

MOTIONS

The Church Street Marketplace respectfully requests that the Board of Finance approve the following motion:

Motion:

To approve and recommend that the City Council authorize the Mayor to execute a three-year lease with Olive & Ollie LLC for retail operations in the 62 Church Street property, subject to final review and approval by the City Attorney’s Office.

The Church Street Marketplace respectfully requests that the City Council approve the following motion:

City Council:

To authorize the Mayor to execute a three-year lease with Olive & Ollie LLC for retail operations in the 62 Church Street property, subject to final review and approval by the City Attorney’s Office.

CITY OF BURLINGTON
DRAFT LEASE AGREEMENT
WITH
OLIVE & OLLIE LLC

This Lease Agreement (“Lease”) is entered into by and between the City of Burlington, acting by and through the Church Street Marketplace Department (“City”), and Lessee, Olive & Ollie LLC, d/b/a Olive & Ollie (“Lessee”), a Vermont corporation authorized to do business in the State of Vermont with a principal place of business at 66 Farm Way, South Burlington, VT 05403. The City and Lessee agree to the terms and conditions of this Lease.

1. EFFECTIVE DATE AND NOTICE OF NONLIABILITY

This Lease shall not be valid or enforceable until the Effective Date. The City shall not be bound by any provision of this Lease before the Effective Date and unless otherwise agreed to in writing, shall have no obligations for performance or expenses incurred before the Effective Date or after the expiration or termination of this Lease.

2. RECITALS

- A. **Authority.** Authority to enter into this Lease exists in the City Charter. Required approvals, clearance, and coordination have been accomplished from and within each Party.

- B. **Consideration.** The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Lease.

- C. **Purpose.** The City owns and operates a building located at 62 Church Street in Burlington, Vermont. The City and Lessee wish to enter into an agreement leasing certain portions of the Marketplace’s premises to Lessee to further and carry out the purposes of the operation of the retail, food or service. This Lease establishes the conditions and terms of Lessee’s use of the Leased Premises.

- D. **References.** All references in this Lease to sections (whether spelled out or using the § symbol), subsections, exhibits, or other attachments, are references to sections subsections, exhibits, or other attachments contained herein or incorporated as part of this Lease, unless otherwise noted.

3. DEFINITIONS

- A. **“Leased Premises”** means the City-owned building and ground space known and numbered as 62 Church Street in Burlington, Vermont, which consists of approximately 520 square feet of building space. A description and map of the Leased Premises are included as Attachment A.
- B. **“Effective Date”** means the date on which this Lease is approved and signed by the City, as shown on the signature page of this Lease.
- C. **“Hazardous Substance”** means and includes, but shall not be limited to, any element, substance, compound or mixture, including disease-causing agents, which after release into the environment or work place and upon exposure, ingestion, inhalation or assimilation into any organism, either directly or indirectly, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction or physical deformations in such organisms or their offspring, and all hazardous and toxic substances, wastes or materials, any pollutants or contaminants (including, without limitation, asbestos and raw materials which include hazardous constituents), or any other similar substances, or materials which are included under or regulated by any local, state or federal law, rule or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, CERCLA, and regulations adopted pursuant to such Acts, the Toxic Substances Control Act of 1976, as heretofore or currently in effect (“TSCA”) and the Resource Conservation and Recovery Act of 1976, as heretofore or currently in effect (“RCRA”).
- D. **“Lease”** means this Lease Agreement, its terms and conditions, attachments, and documents incorporated by reference under the terms of this Lease.
- E. **“Party”** means the City or Lessee and “Parties” means the City and Lessee.
- F. **“Termination Event”** means any event described in Section 16.B.i. (Termination by the City – Breach)

4. **TERM AND RENEWAL TERM(S)**

- A. **Initial Term.** This Lease and the Parties’ respective performance shall commence on the Effective Date and expire on October 31, 2028.
- B. **Renewal Term.** Provided the Lessee is not in default on any terms or conditions, they shall

have the option to extend the Lease for one additional two-year term, subject to all terms and conditions of this Lease.

5. LEASE—USES AND PURPOSES

The City hereby leases to Lessee for its exclusive use the right to access and occupy the Leased Premises, subject to the terms of this Lease and the following conditions:

- A. **Use.** Unless otherwise approved in writing by the City, Lessee shall use and occupy the Leased Premises for its food or retail service operations.
- B. **Upkeep and Utilities.** Lessee shall furnish to the Leased Premises and pay all charges for telephone service, sewage service, stormwater, trash and/or hazardous waste removal, janitorial service, water, electric power, heat, gas, air conditioning and other utilities of every kind.
- C. **Condition.** Lessee shall keep and maintain all parts of the Leased Premises—including related and associated appurtenances—in good condition, order and repair during the term of this Lease. Such actions include but are not limited to: painting, lighting, removal of ground side snow and garbage, landscaping, replacement of broken glass with glass the same size and quality of that broken, and utility services.
- D. **Sublease.** Lessee shall not sublease any portion of the Leased Premises without the express prior written approval of the City
- E. **Compliance with Law.** Lessee shall observe and comply with any and all present and future requirements of the constituted public authority and with all federal, state, or local statutes, ordinances, regulations, standards, conditions, and agreements applicable to Lessee for its use of the Leased Premises, including, but not limited to, ordinances, rules and regulations promulgated from time to time by or at the direction of the City for the administration of the Church Street Marketplace. Further, Lessee shall—at its own expense—submit to and comply with the requirements of all state and federal regulatory agencies or municipal boards having jurisdiction over the construction of any fixed improvements on the Leased Premises, including, but not limited to, any Environmental Board or Board of Health.
- F. **ADA.** Lessee shall—at its own expense—comply with the standards for accessible design known as the Americans with Disabilities Act (“ADA”) Accessibility Guidelines in connection with any new construction or alteration of the Leased Premises. Lessee shall bear the burden of this obligation regardless of whether any such Agency or Board shall

require that the City be the applicant of record.

G. **Waste and Nuisance.** Lessee shall not make any actionable waste or nuisance upon the Leased Premises and shall not do or permit to be done anything which may result in the creation, commission, or maintenance of any such waste or nuisance on said premises or the Church Street Marketplace. Lessee shall properly handle, remove, and dispose of any and all lubricants and/or hazardous waste and maintain the Leased Premises in a clean and safe condition.

H. **Improvements.** Should Lessee desire to make infrastructure and Lessee-specific modifications or improvements to the Leased Premises, Lessee shall obtain advanced written approval by the City. Lessee shall be solely responsible for all costs associated with improvements without reimbursement or further consideration from the City. All approved additions or improvements must comply with the standards for accessible design known as the Americans with Disabilities Act Accessibility Guidelines and shall, on expiration or termination of this Lease, belong to the City without compensation to Lessee.

I. **Supervision.** Lessee shall ensure that the management, maintenance, and operation of the Leased Premises shall at all times be under the supervision and direction of an active, qualified, competent representative of Lessee, and Lessee shall identify its representative, and any successor, in writing to the City.

6. MAINTENANCE AND CONDITIONS OF USE OF PREMISES

A. LESSEE shall maintain the PROPERTY in a manner which, in the sole discretion of the CITY, befits the appearance of the Church Street Marketplace. LESSEE is responsible for the maintenance of the inside and exterior of the PROPERTY; the CITY is responsible for maintenance at ground level around the PROPERTY.

B. If failure to perform maintenance in the manner deemed appropriate by the CITY shall continue for thirty (30) days after written notice thereof, the CITY may contract with others for maintenance of the PROPERTY. In such event, LESSEE shall be responsible for all such costs.

C. LESSEE shall repair any damage to the PROPERTY

D. caused by or arising from operation of its business. If LESSEE fails to make such repairs or replacements promptly, the CITY may, at its option, make such repairs or replacements, and LESSEE shall repay the cost(s) thereof. In case of damage by fire or other elements, or other causes beyond the control of LESSEE, such as to make the PROPERTY untenable or substantially unfit for use by LESSEE, if the cost of repair or reconstruction exceeds the extent of insurance proceeds, then LESSEE may terminate this Lease Agreement upon reasonable notice to the CITY. The CITY shall not be liable to LESSEE for losses due to theft, burglary, or other casualty, or for damages done by persons on the PROPERTY.

- E. LESSEE shall be responsible for cleaning the PROPERTY including but not limited to window washing. Window washing shall occur bi- weekly.
- F. LESSEE shall be responsible for all graffiti removal on the exterior of the PROPERTY.
- G. LESSEE shall be responsible for all trash removal and will not use Church Street Marketplace litter receptacles for disposal.
- H. LESSEE shall recycle all appropriate materials.
- I. LESSEE will, within its control, maintain a barrier-free walkway 9 ft. or more in width along the northern and western portions of the PORPERTY at all times; i.e. no inventory, stock, supplies, or signs, etc. will be allowed in such walkway.
- J. LESSEE at all times shall operate the business in an orderly manner. LESSEE shall not, with intent to cause public inconvenience or annoyance, engage in fighting or in violent, tumultuous behavior, make unreasonable noise, use abusive or obscene language, make an obscene gesture, obstruct vehicular or pedestrian traffic, or engage in any conduct which is proscribed by Chapter 19 of Title 13 of Vermont Statutes Annotated.

7. RENT

Lessee shall, in accordance with the provisions of this section, pay the City rent and other amounts due hereunder in the amounts and using the methods set forth below:

A. **Leased Space Rent.** Lessee shall pay the City rent for access and use of the Leased Premises at a rate of \$1,733.33 per month (\$20,800/annually), which represents approximately \$40 per square foot per month for the 520 square feet of first floor rental space at 62 Church Street.

B. **Time for Payment.** Lessee shall make the rental payment due under this §6 on or before the first day of each calendar month during the term of this Lease. Payment shall be made to:

Community and Economic Development Office, c/o Samantha McGinnis, 149 Church Street, 3rd Floor, Burlington, Vermont 05401.

C. **Electronic Payment.** The City shall have the right, on not less than thirty (30) days prior written notice to Lessee (the “Electronic Payment Notice”), to require Lessee to make subsequent payments of monthly rent, any additional back rent, and other monies due pursuant to the terms of this Lease by means of electronic funds transfer determined by the City in its sole and absolute discretion (the “Electronic Payment”). The Electronic Payment Notice shall set forth the proper bank ABA number, account number and designation of the account to which such Electronic Payment shall be made. Lessee shall promptly notify the City in writing of any additional information that will be required to establish and maintain Electronic Payment from Lessee’s bank or financial institution. The City shall have the right, after at least ten (10) days prior written notice to Lessee, to change the name

of the depository for receipt of any Electronic Payment and to discontinue payment of any sum by Electronic Payment

- D. **Late Payment.** Any required payment which has not been paid when due shall incur interest at the rate of 1.5% per month, in addition to a 5% penalty. Any amounts owed with penalty thereon for a period in excess of one year shall be increased by an additional eighteen (18%) applied annually to the total amount owed.

8. CITY OBLIGATIONS

- A. **Access.** The City shall ensure reasonable ingress and egress to and from the Leased Premises.
- B. **Snow Removal.** The City shall provide for snow removal from access roads.

9. ENTRY OF LEASED PREMISES

The City and its authorized officers, employees, agents, contractors, sub-contractors and other representatives shall have the right to enter upon the Leased Premises for the following purposes:

- A. **Inspection.** To inspect the Leased Premises at reasonable intervals during regular business hours (or at any time in case of emergency) to determine whether Lessee has complied and is complying with the terms and conditions of this Lease. Lessee shall provide the Director of the Church Street Marketplace with serviceable keys to the Property in order to permit the exercise of the City's rights hereunder; or
- B. **Facilities.** To perform essential maintenance, repair, relocation or removal of existing underground or overhead wires, pipes, drains, cables and conduits now located on or across the Leased Premises, and to construct, maintain, repair, relocate and remove such facilities in the future if necessary to carry out the master plan of development of the City provided, however, that said work shall in no event disrupt or unduly interfere with the operations of Lessee. Nothing herein shall be construed to impose upon the City any obligations to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure to do so. Lessee is and shall be in exclusive possession of the Leased Premises and the City shall not, in any event, be liable for any damage to the premises or any property of Lessee or any other persons located in or thereupon, other than to repair or remedy such damage as may be occasioned by negligence of the City, its employees or agents.

10. TAXES AND ASSESSMENTS

- A. **Direct Tax.** Lessee shall pay directly to the taxing authority any and all personal property inventory taxes or assessments which may be assessed against the Leased Premises and its contents during the term hereof or any renewal term.

Lessee shall be responsible for paying all applicable property taxes for the Property during the term of this Lease Agreement. For the entire term of this lease agreement, all the appropriate fiscal year property taxes for the Property, as listed on the Property Tax Payment Schedule set by the City Council and located at 149 Church Street, shall be paid by Lessee to the CITY when a bill for said taxes is presented.

B. Common Area Fees

Lessee shall be responsible for paying all applicable common area fees to the City. The computation for common area fees shall include all elements applied by the Church Street Marketplace Commission in the setting of Common Area fees for Marketplace properties on Church Street. For the term of this Lease Agreement the appropriate fiscal year common area fee for the Lease Premises that is set forth on the common area fee payment schedule set by the City Charter shall be due and payable by Lessee the CITY.

C. Common Area Fee Formula Negotiation

In the event that the formula used to determine the common area fees for Church Street property owners for any fiscal year during the term of this Lease Agreement is changed such that a simple mathematical calculation of the amounts due CITY from Lessee for the rights granted hereby cannot be made, the parties agree to negotiate the amounts owed CITY for such year or years which amount(s) shall not be less than the amount(s) paid for the preceding fiscal year.

11. INSURANCE

Lessee shall provide a certificate of insurance including relevant endorsements in accordance with Attachment B hereto.

12. INDEMNIFICATION & LIABILITY

- A. **Indemnification.** Lessee shall indemnify, defend, and hold harmless the City, its officers, agents and employees, including the City of Burlington Church Street Marketplace Commission their successors and assigns, individually or collectively, from and against all liability and any claims, suits, expenses, losses, judgments, proceedings, damages, expenses, demands, suits, costs (including costs of defense, reasonable attorney fees, and reasonable professional fees incurred in defense or incurred in enforcement of this

indemnity), and causes of action, including but not limited to, claims arising out of or in connection to the following:

1. This Lease;
2. The Leased Premises;
3. Actions on the Leased Premises;
4. Lessee's possession, use, occupation, or control of the Leased Premises;
5. Actions or omissions of the Lessee, its agents, employees, licensees, visitors, or contractors;
6. Breach or default of this Lease by Lessee, its agents, employees, licensees, or contractors.

Lessee shall give prompt and timely notice to the City (and copying the Burlington City Attorney's Office) of any claim made or suit instituted which, in any way, directly or indirectly, contingently or otherwise, affects or may affect the City, the Leased Premises, or the Church Street Marketplace

Lessee shall reimburse the City for costs associated with violations issued by state and federal regulatory authorities resulting from Lessee's misconduct, incompetence, or negligence as determined by the City.

- B. **Liability.** The City shall not be liable to the Lessee, any assignees claiming by, through, or under Lessee, any subtenants claiming, by, through, or under Lessee, and any of their respective agents, contractors, employees, and invitees, for any injury to or death of any person or persons or the damage to or theft, destruction, loss, or loss of use of any property or inconvenience (collectively and individually a "loss") caused by casualty, theft, fire, third parties, repair, or failure to repair, or alteration of any part of this building, or any

other cause, unless due to the negligence or willful misconduct of any indemnified party, in whole or in part.

13. HAZARDOUS WASTES

- A. **Disposal.** Lessee shall properly handle, remove, and dispose of any and all lubricants, grease, and/or hazardous waste and shall maintain the Leased Premises in a clean and safe condition.

- B. **Hold Harmless.** Without any limitation to Lessee's indemnification and defense obligations hereunder, Lessee shall indemnify, defend, and hold harmless the City, its officers, and employees from and against all loss, cost and expense (including, without limitation, attorney fees) of whatever nature suffered or incurred by the City on account of the existence, release, or discharge of Hazardous Substances on or from the Leased Premises including, without limitation, any claims, costs, losses, liabilities, and expenses arising from the violation (or claimed violation) of any environmental laws or the institution of any action by any party against the City or the Leased Premises based upon nuisance, negligence or other tort theory alleging liability due to the improper generation, storage, disposal, removal, transportation or treatment of Hazardous Substances or the imposition of a lien on any part of the Leased Premises under the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., as amended ("CERCLA"), or any other laws pursuant to which a lien may be imposed due to the existence of Hazardous Substances. Lessee further unconditionally, absolutely, and irrevocably guarantees the payment of any fees and expenses incurred by the City in enforcing or seeking enforcement of the liability of Lessee under this indemnification.

14. WARRANTIES AND REPRESENTATIONS

- A. **Regarding the Leased Premises.** The City represents that it is the owner of the Leased Premises or the authorized representative or agent of said owner. During the terms of this Lease, the City represents and warrants that the Lessee may have, hold, and enjoy peaceful and uninterrupted possession of the Leased Premises and rights herein leased and granted, subject to performance by Lessee of its obligations herein.

- B. **Regarding Legal Authority.** Lessee warrants that it possesses the legal authority to enter into this Lease and that it has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Lease and to bind Lessee to its terms. The person signing and executing this Lease on behalf of Lessee hereby represents, warrants, and guarantees that they have full authorization to do so. If requested by the City, Lessee shall provide the City

with proof of Lessee's authority to enter into this Lease within 15 days of receiving such a request.

1. CASUALTY

2. If the Leased Premises are damaged by fire, flood, or another casualty, either Party may terminate this Lease within 30 days of the date the terminating Party becomes aware of such occurrence if, in the opinion of the terminating Party, the Leased Premises have been so damaged as to render them wholly or partially untenable or unfit for the Lessee's purposes. If so elected, the terminating Party shall give the other Party written notice to the City and termination shall be effective 30 days from the date of mailing of the notice of termination.

If the Parties elect not to terminate this Lease, the City shall reasonably estimate the time, restoration work, and commencement date that the City reasonably anticipates is required for the performance of restoration work. Lessee's obligation to pay rent shall equitably and proportionately abate with respect to the damaged portion of the Leased Premises from the date of damage until restoration is sufficiently complete to enable Lessee to recommence its use and occupancy of the Leased Premises for the purposes set forth in this Lease.

3. TITLE TO IMPROVEMENTS

Upon the expiration or termination of this Lease, all permanently fixed improvements made upon the Leased Premises by Lessee shall become a part of the realty and remain on the Leased Premises as the property of the City. Lessee shall not be entitled to compensation of any kind for such improvements, nor shall the City be required to provide Lessee with any consideration of any kind for such improvements.

4. TERMINATION

In addition to the termination rights granted in other sections of this Lease, the Parties may terminate this Lease in accordance with this **§16**.

A. **Breach.** The failure of either Party to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner constitutes a breach.

B. Termination by the City.

- (i) **Breach.** The City may terminate this Lease, if Lessee fails to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner, including, but not limited to, the following conditions:
- a. **Past Due.** If Lessee fails to pay required rental charges or money payments more than thirty (30) days after a due date.
 - b. **Abandonment.** If Lessee or any approved sub-lessee voluntarily abandons or discontinues the conduct and operation of its service at the Kiosk for a continuous period of sixty (60) days.
 - c. **Bankruptcy.** The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Lessee, or the appointment of a receiver or similar officer for Lessee or any of its property, which is not vacated or fully stayed within twenty (20) days after the institution or occurrence thereof, shall constitute a breach.
 - d. **Public safety.** If terminating the lease is reasonably necessary to preserve public safety or to prevent an immediate public crisis.
- (ii) **Notice and Cure Period.** In the event of a breach, notice of such shall be given in writing by the aggrieved Party to the other Party. If such breach is not cured within 30 days of receipt of written notice, or if a cure cannot be completed within thirty (30) days, or if a cure of the breach has not begun within 30 days and pursued with due diligence, the non-breaching Party may terminate this Lease by sending a notice of termination, which shall be effective thirty (30) days after the notice of termination is sent. Notwithstanding anything to the contrary herein, the City, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Lease in whole or in part if reasonably necessary to preserve public safety or to prevent an immediate public crisis.
- (iii) **Repeated Breaches.** If the same Termination Event has occurred on four separate occasions during any rolling 12-month period (having been duly remedied or waived on each occasion), a cure period for remedying the next occurrence of such Termination Event occurring within the relevant 12-month rolling period will only be available if City so permits in its sole discretion.

(iv) **Rights and Remedies Not Exclusive.** The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

C. **Termination by Lessee.** Lessee may terminate this Lease upon thirty (30) days' advance written notice to the City under the following conditions:

(i) **Injunction.** The issuance by any court of competent jurisdiction of an injunction, order, or decree preventing or restraining the use by Lessee of all or any substantial part of the Leased Premises or preventing or restraining the use of the Kiosk for usual Church Street Marketplace purposes in its entirety, or the use of any part thereof which may be used by Lessee and which is necessary for Lessee's operations on the Kiosk which remains in force, unvacated or unstayed for a period of at least sixty (60) days.

D. **Damage to Improvements.** Either Party may terminate this Lease upon providing thirty (30) days' written notice to the other Party if the fixed improvements upon the Leased Premises are so totally destroyed or so extensively damaged that it would be impracticable or uneconomical to restore the same to their previous condition.

15. CONDITION ON TERMINATION

At the termination or expiration of this Lease, Lessee shall surrender and deliver the Leased Premises in as substantially good order and condition as exists at the inception hereof; excepting, however, loss by fire, inevitable accident, act of God, and ordinary wear and tear.

16. LIENS

Lessee shall cause to be removed any and all mechanic's or materialman's liens of any nature arising out of or because of any construction performed by Lessee upon the Leased Premises or arising out of or because of the performance of any work or labor upon or the furnishing of any materials for use at the Leased Premises. This shall be done by or at the direction of Lessee within a reasonable time not to exceed six (6) months from the completion of any such construction.

17. HOLDING OVER

In the event Lessee shall hold over and remain in possession of the Leased Premises after cancellation or termination of this Lease, such holding over shall not be deemed to operate as a renewal or extension of this Lease, but rather shall only create a tenancy from month-to-month which the City may terminate at any time upon thirty (30) days' advance written notice.

18. FORCE MAJEURE

Neither Party shall be deemed to have breached this Lease if it is prevented from performing any of its obligations hereunder by reason of acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, sabotage, or any other circumstances for which it is not responsible or which is not under its control, and the Party experiencing force majeure gives written notice to the other party identifying the nature of such force majeure, and when it began. The Party experiencing force majeure shall take immediate action to attempt to remove such causes of force majeure as may occur from time to time and its operations under this Lease shall be resumed immediately after such cause has been removed, provided that neither Party shall be required to settle any labor dispute except upon terms that the Party deems acceptable. The suspension of any obligations under this section shall not cause the term of this Lease to be extended and shall not affect any rights accrued under this Lease prior to the occurrence of the force majeure. The Party giving notice of the force majeure shall also give notice of its cessation.

19. PUBLIC EMERGENCIES

Lessee must comply with all local, state, federal orders, directives, regulations, guidance, advisories during public emergencies. Public emergencies include, but are not limited to, national, state and local security emergencies; public health emergencies and pandemics; evacuations; chemical spills; shelter-in-place alerts; severe weather advisories; boil water advisories; and roadway interruptions. A Lessee's failure to comply with any local, state, federal orders, directives, regulations, guidance, or advisories during a public emergency shall constitute a breach of the Lease pursuant to Section 17 (Termination). The City shall have sole discretion in determining if Lessee is compliant with the above. If a public emergency is declared, the City will not be responsible for any expenses or losses incurred as a result of any public emergency.

20. DISPUTE RESOLUTION

The Parties shall make their designation representative available to meet within a reasonable time to discuss issues relating to the Lease or the Leased Premises. Each Party shall take such actions as reasonably necessary to address any issues within a reasonable time.

Either Party may enforce this Lease and/or seek appropriate remedies in Chittenden Superior Court under the laws of the State of Vermont.

21. NOTICES AND REPRESENTATIVES

Each individual identified below is the principal representative of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not in lieu of a hard-copy notice, notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

For the City: Community & Economic Development Office
 c/o Samantha McGinnis
 149 Church Street, 3rd Floor
 Burlington, VT 05401
 802.735.5572
 Smcginnis@burlingtonvt.gov

For Lessee:

22. GENERAL CIVIL RIGHTS PROVISIONS

Lessee agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Lessee transfers its obligation to another, the transferee is obligated in the same manner as the Lessee.

This provision obligates the Lessee for the period during which the property is owned, used, or possessed by the Lessee. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS

During the performance of this Lease, the Lessee, for itself, its assignees, and successors in interest, agrees as follows:

- (ii) **Compliance with Regulations:** The Lessee will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- (iii) **Nondiscrimination:** The Lessee, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Lessee will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- (iv) **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Lessee for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Lessee of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

(v) **FEDERAL CIVIL RIGHTS PROVISION**

(vi) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of property and facilities made available or leased to Lessee; the construction of any improvements on, over, or under said property and facilities; or the furnishing of services thereon. Lessee shall comply with the Nondiscrimination Acts and Authorities as set out below and as they may be amended from time to time.

A. The Lessee shall maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Authorities such that no person on the grounds of race, color, or national origin, shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. In all solicitations, either by competitive bidding, or negotiation made by Lessee for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier shall be notified by Lessee of Lessee's obligations under this Agreement and the Nondiscrimination Acts and Authorities.

C. In the event of breach of any of the above non-discrimination covenants, the City shall have the right to terminate the Agreement and re-enter and repossess the underlying property and facilities and hold the same as if the Agreement had never been made or issued.

D. During the performance of this Lease, Lessee, for itself, its assignees, and successors in interest (hereinafter referred to as the “Lessee”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

C. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

D. 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);

E. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

F. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;

G. The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);

H. The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

I. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes

discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

- L. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).

(vii) LIVABLE WAGE

The City has in effect a livable wage ordinance. This livable wage ordinance is applicable to service contracts with the City (as opposed to the purchasing of goods) where the total amount of the contract or contracts with the same person or entity exceeds \$15,000 for any twelve-month period.

Lessee shall comply with the livable wage ordinance to the extent that it is a covered employer under the ordinance and the ordinance is otherwise applicable. Lessee shall also require any contractors or agents performing work at the Leased Premises to comply with the livable wage ordinance.

(viii) MORTGAGES

At the option of the City, this Lease shall be subordinate to any mortgage or other security interest by the City which from time to time may encumber all or part of Leased Premises so long as the City's lender shall agree in writing in a form reasonably acceptable to Lessee that such lender will not disturb Lessee's possession and rights under Lease so long as Lessee remains in compliance with Lease.

(ix) ESTOPPEL CERTIFICATE

Each Party shall—within thirty (30) business days after request by the other Party—execute and deliver to the requesting Party, or the party designated by the requesting Party, a statement certifying: (i) that Lease is unmodified and in full force and effect (or, if there have been modifications, stating the modifications, and that the modified Lease is in full force and effect); (ii) whether, to the responding Party's knowledge, either Party is in default in performance of any of its obligations under Lease, and, if so, specifying each default; and (iii) any other information reasonably requested concerning Lease.

(x) BROKER COMMISSIONS

The City shall have no obligation to pay any real estate commissions to any agents or brokers claiming by or through Lessee, and without prejudice to Lessee's general indemnification and defense obligation hereunder, Lessee agrees to indemnify and hold harmless the City for all claims or demands of any other real estate agent or broker claiming by, through, or under Lessee. This indemnification shall also include payment of costs and attorney fees incurred by the City in defense of a claim for such real estate commissions or fees.

(xi) **GENERAL PROVISIONS**

- A. **Assignment.** Lessee shall not assign this Lease or sublet any part of the Leased Premises without the expressed written consent of the City.
- B. **Binding Effect.** All provisions of this Lease, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.
- C. **Captions.** The captions and headings in this Lease are for convenience of reference only and shall not be used to interpret, define, or limit its provisions.
- D. **Counterparts.** This Lease may be executed in multiple identical counterparts, all of which shall constitute one agreement.
- E. **Entire Understanding.** This Lease represents the complete integration of all understandings between the Parties and all prior representations and understandings—oral or written—are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein. By and through execution of this Lease, the prior temporary license agreement executed between the Parties as of Fall 2024 is extinguished and supplanted hereby.
- F. **Extinguishment and Replacement.** This Lease extinguishes and replaces any prior leases between the Parties related to the Leased Premises upon the Effective Date hereof.
- G. **Modification.** Modifications of this Lease shall not be effective unless agreed to in writing by both Parties in a formal written amendment to this Lease, properly executed and approved by both Parties.
- H. **Interpretation.** The language in all parts of this Lease shall in all cases be construed

simply according to its fair meaning and not strictly construed against the City. This Lease shall be construed and performance thereof shall be determined in accordance with the laws of the State of Vermont.

- I. **Severability.** Provided this Lease can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable, and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

- J. **Survival of Certain Lease Terms.** Notwithstanding anything herein to the contrary, provisions of this Lease requiring continued performance, compliance, or effect after expiration or termination shall survive such expiration or termination and shall be enforceable by the City if Lessee fails to perform or comply as required.

- K. **Third Party Beneficiaries.** Enforcement of this Lease and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Lease are incidental to the Lease and do not create any rights for such third parties.

- L. **Waiver.** No acceptance by the City of rentals, fees, charges or other payments in whole or in part, for any period or periods after a default of any of the terms, covenants, and conditions hereof, to be performed, kept or observed by Lessee, shall be deemed a waiver of any right on the part of the City to terminate this Lease. A waiver by the City of any breach of a term, provision, or requirement of this Lease or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

- M. **Public Records.** All records submitted to the City, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of the City. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified by Lessee, as shall all other records considered to be exempt under the Act. It is not sufficient to merely state generally that a document or record is proprietary, a trade secret, or otherwise exempt. Particular records, pages, or sections that are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

- N. **Illegal Substance.** Lessee, Lessee's employees, and Lessee's patrons are prohibited from

possessing, using, transporting, cultivating, selling, growing, or donating any substance prohibited under local, state, or federal law, including but not limited to marijuana.

- O. **Attorneys' Fees.** In case of any dispute arising from this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.
- P. **Municipal Rights.** Nothing herein shall be deemed a waiver of Landlord's regulatory authority as a city.

(xii) **ATTACHMENTS**

The following attachments are adopted, made part of, and incorporated by reference into this Agreement:

- A. **Attachment A:** Leased Premises Description and Map
- B. **Attachment B:** Insurance Requirements
- C. **Attachment C:** Burlington Standard Contract Conditions
- D. **Attachment D:** Certificate of Insurance
- E. **Attachment E:** Burlington Livable Wage Ordinance Certification

— *Signature Pages to Follow* —

The parties to this Agreement do hereby execute this document on this ___ day of _____, 2025:

CITY OF BURLINGTON

By _____
Emma Mulvaney-Stanak, Mayor
City of Burlington

By _____
Ava Stanley, Owner
_____, LLC

Date _____

Date _____

**Attachment A:
62 Church Street Land Plot**



**Attachment B:
Standard Insurance Conditions & Indemnification**

INSURANCE: Prior to beginning any work, the Contractor shall obtain the following insurance coverage from an insurance company registered and licensed to do business in the State of Vermont and having an A.M. Best insurance rating of at least A-, financial size category VII or greater (www.ambest.com). The certificate of insurance coverage shall be documented on forms acceptable to the City. Compliance with minimum limits and coverage, evidenced by a certificate of insurance showing policies and carriers that are acceptable to the City, must be received prior to the Effective Date of the Contract. If this Contract extends to more than one year, evidence of continuing coverage must be submitted to the City on an annual basis. Copies of any insurance policies may be required.

The Contractor is responsible to verify and confirm in writing to the City that: (i) all subcontractors must comply with the same insurance requirements as the Contractor; (ii) all work activities related to the Contract shall meet minimum coverage and limits; and (iii) all coverage shall include adequate protection for activities involving hazardous materials.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Contractor for the Contractor's operations. These are solely minimums that have been developed and must be met to protect the interests of the City.

A. Commercial General Liability: With respect to all operations performed by the Contractor, subcontractors, agents or workers, it is the Contractor's responsibility to ensure that commercial general liability insurance coverage, covering bodily injury and property damage, on an occurrence form, provides all major divisions of coverage including, but not limited to:

1. Premises Operations
2. Independent Contractors' Protective
3. Products and Completed Operations
4. Personal Injury Liability
5. Medical Expenses

Coverage limits shall not be less than:

1.	General Aggregate	\$2,000,000
2.	Products-Completed/Operations	\$2,000,000
3.	Personal & Advertising Injury	\$1,000,000
4.	Each Occurrence	\$1,000,000
5.	Damage to Rented Premises	\$ 250,000
6.	Med. Expense (Any one person)	\$ 5,000

B. Workers' Compensation/Employer Liability: With respect to all operations performed, the Contractor shall carry workers' compensation insurance in accordance with the laws of the State of Vermont and ensure that all subcontractors carry the same workers' compensation insurance for all work performed by them under this contract. Minimum limits for Employer's Liability:

- Bodily Injury by Accident: \$500,000 each accident
- Bodily Injury by Disease: \$500,000 policy limit,
\$500,000 each employee

For contracts involving work of any kind or nature on Lake Champlain, Workers' Compensation/Employer's Liability policy shall include a Maritime Endorsement (USL&H).

C. Professional Liability/Errors & Omissions:

1. General: The Contractor shall carry appropriate professional liability insurance covering errors and omissions made during their performance of contractual duties with the following minimum limits:

(b) \$2,000,000 - Annual Aggregate/Policy Limit

(b) \$1,000,000 - Per Claim/Occurrence

2. Deductibles: The Contractor is responsible for any and all deductibles.

3. Coverage: The Contractor shall maintain continuous professional liability coverage for the period of the Contract and for a period of five years following substantial completion of construction.

D. Umbrella/Excess Liability:

1. \$1,000,000 Each Event Limit
2. \$1,000,000 General Aggregate Limit
3. Umbrella/Excess Liability is excess above Commercial General Liability, Automobile Liability, and Workers' Compensation/Employer Liability.

All policies shall be endorsed to provide the City thirty (30) days' notice of cancellation. Each policy (except workers compensation/employers' liability and errors & omissions/professional liability) shall be endorsed to name the City and its officers, employees, agents, successors, and

assigns as additional insureds on a primary, non-contributory basis. Each policy (except errors & omissions/professional liability) shall be endorsed to waive subrogation against the City. Contractor's general liability, pollution, and umbrella policies provide additional insured coverage for both premises and completed operations using endorsements CG 20 10 and CG 20 37 or their equivalents for a period of three years.

INDEMNIFICATION: Contractor shall hold harmless, indemnify, and defend the City and its officers, employees, agents, successors, and assigns (collectively, the "Indemnitees") from and against all claims, causes of action, lawsuits, damages, liabilities, liens, penalties, fines, and costs (including attorneys' fees and costs) of every kind and nature whatsoever (collectively, "Claims") arising from or relating to this Contract or Contractor's operations hereunder, excepting any Claims arising from the City's own gross negligence or willful misconduct. Contractor's indemnification and defense obligations shall survive termination of this Contract, and Contractor shall ensure that any subcontract for work under this Contract requires the subcontractor to satisfy the same indemnification and defense obligations in favor of the Indemnitees.

Attachment D: Burlington Standard Contract Conditions

1. DEFINITIONS:

- A. The "Contract" shall mean the Contract between Contractor and the City to which these conditions apply and includes this Attachment C.
- B. The "Contractor" shall mean Ava Stanley.

- C. The “City” shall mean the City of Burlington, Vermont or any of its departments.
 - D. The “Effective Date” shall mean the date on which the Contract becomes effective according to its terms, or if no effective date is stated, the date that all parties to it have signed.
 - E. The “Parties” shall mean the parties to this Contract.
 - F. The “Work” shall mean the services being provided by the Contractor, as provided in the Contract.
2. **REGISTRATION:** The Contractor agrees to be registered with the Vermont Secretary of State’s office as a business entity doing business in the State of Vermont at all times this Contract is effective. This registration must be complete prior to Contract execution.
 3. **INSURANCE & INDEMNIFICATION:** The insurance and indemnification provisions set forth in Attachment C-1 are incorporated by this reference as though fully set forth. Any provisions of this Contract for indemnification, defense, release of liability, or warranty, shall survive termination hereof.
 4. **CONFLICT OF INTEREST:** The Contractor shall disclose in writing to the City any actual or potential conflicts of interest or any appearance of a conflict of interest by the Contractor, its employees or agents, or its sub-contractors, if any.
 5. **PLANS, RECORDS, AND AVAILABLE DATA:** The City agrees to make available, at no charge, for the Contractor’s use all available data related to the Contract including any preliminary plans, maps, drawings, photographs, reports, traffic data, calculations, EDM, valuable papers, topographic survey, utility location plats, or any other pertinent public records.
 6. **PERSONNEL REQUIREMENTS AND CONDITIONS:** The Contractor shall employ only qualified personnel with appropriate and valid licensure, to the extent a license is required for the work performed. The City shall have the right to approve or disapprove key personnel assigned to administer activities related to the Contract.

Except with the approval of the City, during the life of the Contract, the Contractor shall not employ:

1. Any City employees who are directly involved with the awarding, administration, monitoring, or performance of the Contract or any project(s) that are the subjects of the Contract.
2. Any person so involved within one (1) year of termination of employment with the City.

The Contractor warrants that no company or person has been employed or retained, other than a bona fide employee working solely for the Contractor, to solicit or secure this Contract, and that no company or person has been paid or has a contract with the Contractor to be paid, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the Contract. For breach or violation of this warranty, the City shall have the right to annul the Contract, without liability to the City, and to regain all costs incurred by the City in the performance of the Contract.

The City reserves the right to require removal of any person employed by a Contractor, from work related to the Contract, for misconduct, incompetence, or negligence as determined by the City, in the due and proper performance of Contractor's duties, or for neglecting or refusing to comply with the requirements of the Contract.

7. **PERFORMANCE:** Contractor warrants that performance of Work will conform to the requirements of this Contract. Contractor shall use that degree of ordinary care and reasonable diligence that an experienced and qualified provider of similar services would use acting in like circumstances and experience in such matters and in accordance with the standards, practices and procedures established by Contractor for its own business.
8. **DESIGN STANDARDS:** Unless otherwise specifically provided for in the Contract, or directed in writing, Contractor services, studies or designs, that include or make reference to plans, specifications, special provisions, computations, estimates, or other data shall be in conformance with applicable City, state, and federal specifications, manuals, codes or regulations, including supplements to or revisions thereof, adopted prior to or during the duration of this Contract. In case of any conflict with the guidelines referenced, the Contractor is responsible to identify and follow any course of direction provided by the City.
9. **RESPONSIBILITY FOR SUPERVISION:** The Contractor shall assume primary responsibility for general supervision of Contractor employees and their sub-Contractors for all work performed under the Contract and shall be solely responsible for all procedures, methods of analysis, interpretation, conclusions and contents of work performed under the Contract. The Contractor shall be responsible to the City for all acts or omissions of its sub-contractors and any other person performing work under this Contract.
10. **UTILITIES:** Whenever a facility or component of a private, public, or cooperatively-owned utility will be affected by any proposed construction, the Contractor will counsel with the City, plus achieve any necessary contacts and discussions with the affected owners, regarding any requirement necessary for revisions of facilities or existing installations, both above and below ground. Any such installations must be completely and accurately exhibited on any detail sheets or plans. The Contractor shall inform the City, in writing, of any such contacts and the results thereof.

11. **INSPECTION OF WORK:** The City shall, at all times, have access to the Contractor's work for the purposes of inspection, accounting, and auditing, and the Contractor shall provide whatever access is considered necessary to accomplish such inspections. At any time, the Contractor shall permit the City or representative for the City the opportunity to inspect any plans, drawings, estimates, specifications, or other materials prepared or undertaken by the Contractor pursuant to the Contract, as well as any preparatory work, work-in-progress, or completed work at a field site, where applicable.

Conferences, visits to a site, or an inspection of the work, may be held at the request of any involved party or by representatives of the City.

12. **REVIEWS AND ACCEPTANCES:** All preliminary and detailed designs, plans, specifications, estimates or other documents prepared by the Contractor, shall be subject to review and endorsement by the City.

Approval for any inspections or sequences of progress of work shall be documented by letters, memoranda or other appropriate written means.

A frequency for formal reviews shall be set forth in the Contract. Informal reviews, conducted by the City will be performed as deemed necessary. The Contractor shall respond to all official comments regardless of their source. The Contractor shall supply the City with written copies of all correspondence relating to formal and informal reviews.

No acceptance shall relieve a Contractor of their professional obligation to correct any defects or errors in their work at their own expense.

13. **PUBLIC RELATIONS:** Whenever it is necessary to perform work in the field, particularly with respect to reconnaissance, the Contractor will endeavor to maintain good relations with the public and any affected property owners. Personnel employed by or representing the Contractor shall conduct themselves with propriety. The Contractor agrees to inform property owners and/or tenants, in a timely manner, if there is need for entering upon private property as an agent of the City, in accordance with 19 V.S.A. § 35 and §.503, to accomplish the work under the Contract. The Contractor agrees that any work will be done with minimum damage to the land and disturbance to the owner. Upon request of the Contractor, the City shall furnish a letter of introduction to property owners soliciting their cooperation and explaining that the Contractor is acting as an agent of the City.

14. **ACKNOWLEDGEMENTS:** Acknowledgment of the City's support must be included in any and all publications, renderings and project publicity, including audio/visual materials developed under this Contract.

15. APPEARANCES:

- A. Hearings and Conferences: The Contractor shall provide services required by the City and necessary for furtherance of any work covered under the Contract. These services shall include appropriate representation at design conferences, public gatherings and hearings, and appearances before any legislative body, commission, board, or court, to justify, explain and defend its contractual services covered under the Contract.

The Contractor shall perform any liaison that the City deems necessary for the furtherance of the work and participate in conferences with the City, at any reasonable time, concerning interpretation and evaluation of all aspects covered under the Contract.

The Contractor further agrees to participate in meetings with the City and any other interested or affected participant, for the purpose of review or resolution of any conflicts pertaining to the Contract.

The Contractor shall be equitably paid for such services and for any reasonable expenses incurred in relation thereto in accordance with the Contract.

- B. Appearance as Witness: If and when required by the City, the Contractor, or an appropriate representative, shall prepare and appear for any litigation concerning any relevant project or related contract, on behalf of the City. The Contractor shall be equitably paid, to the extent permitted by law, for such services and for any reasonable expenses incurred in relation thereto, in accordance with the Contract.

16. **PAYMENT PROCEDURES**: The City shall pay, or cause to be paid, to the Contractor or the Contractor's legal representative payments in accordance with the Contract. All payments will be made in reliance upon the accuracy of all representations made by the Contractor, whether in invoices, progress reports, emails, or other proof of work. When applicable, for the type of payment specified in the Contract, the progress report shall summarize actual costs and any earned portion of fixed fee.

All invoices and correspondence shall indicate the applicable project name, project number and the Contract number. When relevant, the invoice shall further be broken down in detail between projects.

When applicable, for the type of payment specified in the Contract, expenses for meals and travel shall be limited to the current approved in-state rates, as determined by the State of

Vermont's labor contract, and need not be receipted. All other expenses are subject to approval by the City and must be accompanied with documentation to substantiate their charges.

No approval given or payment made under the Contract, shall be conclusive evidence of the performance of the Contract, either wholly or in part thereof, and no payment shall be construed to be acceptance of defective work or improper materials.

The City agrees to pay the Contractor and the Contractor agrees to accept, as full compensation, for performance of all services rendered and expenses incurred, the fee specified in the Contract.

Upon completion of all services covered under the Contract and payment of the agreed upon fee, the Contract with its mutual obligations shall end.

17. **DUTY TO INFORM CITY OF CONTRACT DOCUMENT ERRORS:** If Contractor knows, or has reasonable cause to believe, that a clearly identifiable error or omission exists in the Contract Documents, including but not limited to unit prices and rate calculations, Contractor shall immediately give the City written notice thereof. Contractor shall not cause or permit any Work to be conducted which may relate to the error or omission without first receiving written notice by the City that City representatives understand the possible error or omission and have approved of modifications to the Contract Documents or that Contractor may proceed without any modification being made to Contract Documents.
18. **NON-APPROPRIATION:** The obligations of the City under this Contract are subject to annual appropriation by the Burlington City Council. If no funds or insufficient funds are appropriated or budgeted to support continuation of payments due under this Contract, the Contract shall terminate automatically on the first day of the fiscal year for which funds have not been appropriated. The Parties understand and agree that the obligations of the City to make payments under this Contract shall constitute a current expense of the City and shall not be construed to be a debt or a pledge of the credit of the City. The decision whether or not to budget and appropriate funds during each fiscal year of the City is within the discretion of the Mayor and City Council of the City. The City shall deliver written notice to Contractor as soon as practicable of any non-appropriation, and Contractor shall not be entitled to any payment or compensation of any kind for work performed after the City has delivered written notice of non-appropriation.
19. **CHANGES AND AMENDMENTS:** No changes or amendments to the Work of the Contract shall be effective unless documented in writing and signed by authorized representatives of the City and the Contractor.

20. **EXTENSION OF TIME:** The Contractor agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by the Contractor for delays or hindrances, from any cause whatsoever, during the progress of any portion of services specified in the Contract. Such delays or hindrances, if any, may be compensated for by an extension of time for such reasonable period as the City may decide. Time extensions shall be granted by amendment, only for excusable delays, such as delays beyond the control of the Contractor and without the fault or negligence of the Contractor.

21. **PUBLIC HEALTH EMERGENCY:**

- A. Compliance with Mandates and Guidance: The Contractor is advised that public health emergencies—meaning public health emergencies, as declared by the City, the State of Vermont, or the Federal Government—may introduce significant uncertainty into the project. The Contractor must comply with all local, state, federal orders, directives, regulations, guidance, advisories during a public health emergency. Contractor shall adhere to the below provisions and consider public health emergencies as it develops project schedules and advances the Work.
- B. Creation of Public Health Emergency Plan: For any work performed on-site at a City location, the Contractor shall create a public health emergency plan acceptable to the City. The Contractor shall be responsible for following this plan and ensuring that the project or site is stable and in a safe and maintainable condition.
- a. Public Health Emergency Plan: The Public Health Emergency Plan will contain:
 - i. Measures to manage risk and mitigate potential impacts to the health and safety of the public, the City and Contractor’s workers;
 - ii. Explicit reference to any health and safety performance standards and mandates provided by the City, the State of Vermont, the Federal government, or other relevant governmental entities;
 - iii. A schedule for possible updates to the plan as standards and mandates change; and
 - iv. Means to adjust the schedule and sequence of work should the emergency change in nature or duration.
 - b. Review and Acceptance of Plan:
 - i. Contractor must provide the plan to the City by the Effective Date of this Contract or by one (1) week prior to the commencement of on-site activities, whichever is later.
 - ii. The City shall have sole discretion to require changes to the plan.
 - iii. The City may revisit the plan at any time to verify compliance with obligations that arise under a state of emergency.
- C. Enforcement & Stoppage of Work: Contractor fails to comply with either 1) the approved public health emergency plan, or 2) any local, state, federal orders, directives, regulations, guidance, or advisories during a public health emergency, the City may stop Work under

the Contract until such failure is corrected. Such failure to comply shall constitute a breach of the Contract.

Upon stoppage of work, the City may allow Work to resume, at a time determined by the City, under this Contract if such failure to comply is adequately corrected. The City shall have sole discretion in determining if Contractor has adequately corrected its failure to comply with the above.

If Contractor's breach of Contract has not been cured within seven (7) days after notice to stop Work from the City, then City may terminate this Contract, at its discretion.

D. City Liability Relating to Potential Delays: If a public health emergency is declared, the City will not be responsible for any delays related to the sequence of operations or any expenses or losses incurred as a result of any delays. Any delays related to a public health emergency will be excusable, but will not be compensable.

22. **FORCE MAJEURE**: Neither Party to this Contract shall be liable to the other for any failure or delay of performance of any obligation under this Contract to the extent the failure or delay is caused by acts of God, public health emergencies, epidemics, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, sabotage, or any other circumstances for which it is not responsible or which is not under its control ("Force Majeure"). To assert Force Majeure, the nonperforming party must prove that a) it made all reasonable efforts to remove, eliminate, or minimize the cause of delay or damage, b) diligently pursued performance of its obligations, c) substantially fulfilled all obligations that could be fulfilled, and d) timely notified the other part of the likelihood or actual occurrence of a Force Majeure event. If any such causes for delay are of such magnitude as to prevent the complete performance of the Contract within two (2) years of the originally scheduled completion date, either Party may by written notice request to amend or terminate the Contract. The suspension of any obligations under this section shall not cause the term of this Contract to be extended and shall not affect any rights accrued under this Contract prior to the occurrence of the Force Majeure. The Party giving notice of the Force Majeure shall also give notice of its cessation.

23. **PAYMENT FOR EXTRA WORK, ADDITIONAL SERVICES OR CHANGES**: The City may, in writing, and without invalidating the Contract, require changes resulting from revision or abandonment of work already performed by the Contractor or changes in the scope of work.

The value of such changes, to the extent not reflected in other payments to the Contractor, shall be incorporated in an amendment and be determined by mutual agreement. Any adjustments of this nature shall be executed under the appropriate fee established in the Contract, based on the adjusted quantity of work.

No changes for which additional fee payment is claimed shall be made unless pursuant to a written order from the City, and no claim for payment shall be valid unless so ordered.

The Contractor agrees to maintain complete and accurate records, in a form satisfactory to the City for all time devoted directly to same by Contractor employees. The City reserves the right to audit the records of the Contractor related to any extra work or additional services. Any such services rendered shall be subject, in all other respects, to the terms of the Contract. When changes are so ordered, no additional work shall be performed by the Contractor until a Contract amendment has been fully executed, unless written notice to proceed is issued by the City. Any claim for extension of time that may be necessitated as a result of extra work or additional services and changes shall be given consideration and evaluated insofar as it directly relates to the change.

24. **FAILURE TO COMPLY WITH TIME SCHEDULE:** If the City is dissatisfied because of slow progress or incompetence in the performance of the Work in accordance with the schedule for completion of the various aspects of construction, the City shall give the Contractor written notice in which the City shall specify in detail the cause of dissatisfaction. Should the Contractor fail or refuse to remedy the matters complained of within five days after the written notice is received by the Contractor, the City shall have the right to take control of the Work and either make good the deficiencies of the Contractor itself or direct the activities of the Contractor in doing so, employing such additional help as the City deems advisable. In such events, the City shall be entitled to collect from the Contractor any expenses in completing the Work. In addition, the City may withhold from the amount payable to the Contractor an amount approximately equal to any interest lost or charges incurred by the City for each calendar day that the Contractor is in default after the time of completion stipulated in the Contract Documents.
25. **RETURN OF MATERIALS:** Contractor agrees that at the expiration or termination of this Contract, it shall return to City all materials provided to it during its engagement on behalf of City.
26. **ACCEPTANCE OF FINAL PAYMENT; RELEASE:** Contractor's acceptance of the final payment shall be a release in full of all claims against the City or its agents arising out of or by reason of the Work. Any payment, however, final or otherwise, shall not release the Contractor or their sureties from any obligations under the Contract Documents or any performance or payment bond.
27. **OWNERSHIP OF THE WORK:** The Contractor agrees that the ownership of all studies, data sheets, survey notes, subsoil information, drawings, tracings, estimates, specifications, proposals, diagrams, calculations, EDM and other material prepared or collected by the Contractor, hereafter referred to as "instruments of professional service", shall become the

property of the City as they are prepared and/or developed during execution of the Contract. The Contractor agrees to allow the City access to all “instruments of professional service” at any time. The Contractor shall not copyright any material originating under the Contract without prior written approval of the City. No publications or publicity of the work, in part or in total, shall be made without the express written agreement of the City, except that Contractor may in general terms use previously developed instruments of professional service to describe its abilities for a project in promotional materials.

28. **PROPRIETARY RIGHTS:** The Parties under the Contract hereby mutually agree that, if patentable discoveries or inventions should result from work performed by the Contractors under the Contract, all rights accruing from such discoveries or inventions shall be the sole property of the Contractor. The Contractor, however, agrees to and does hereby grant to the City an irrevocable, nonexclusive, non-transferable, and royalty--free license to the manufacture, use, and disposition of any discovery or invention that may be developed as a part of the Work under the Contract.
29. **PUBLIC RECORDS:** The Contractor understands that any and all records related to and acquired by the City, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act and that the determination of how those records must be handled is solely within the purview of City. The Contractor shall identify all records that it considers to be trade secrets as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act and shall also identify all other records it considers to be exempt under the Act. It is not sufficient to merely state generally that the record is proprietary or a trade secret or is otherwise exempt. Particular records, pages or section which are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.
30. **RECORDS RETENTION AND ACCESS:** The Contractor agrees to retain, in its files, and to produce to the City—within the time periods requested—all books, documents, Electronic Data Media (EDM), accounting records, and other records produced or acquired by the Contractor in the performance of this Contract which are related to the City, at any time during this Contract and for a period of at least three (3) years after its completion or termination. In addition, if any audit, claim, or litigation is commenced before the expiration of that three (3) year period, the records shall be retained until all related audits, claims, or litigation are resolved. The Contractor further agrees that the City shall have access to all the above information for the purpose of review and audit during the Contract period and anytime within the aforementioned retention period. Copies of all of the above referenced information shall be provided to the City, if requested, in the format in which the records were obtained, created, or maintained, such that their original use and purpose can be achieved. Contractor, sub-Contractors, or their representatives performing work related to the Contract, are responsible

to ensure that all data and information created or stored on EDM is secure and can be duplicated and used if the EDM mechanism is subjected to power outage, obsolescence, or damage.

31. **CONTRACT DISPUTES:** In the event of a dispute between the parties to this Contract each party will continue to perform its obligations unless the Contract is terminated in accordance with these terms.

32. **SETTLEMENTS OF MISUNDERSTANDINGS:** Neither Party shall file any litigation arising from this Contract without first attempting in good faith to resolve the Parties' dispute through negotiated settlement or mediation; provided, however, that any applicable statute of limitations shall toll during any period in which the Parties are actively and mutually engaged in dispute resolution; and provided further that nothing herein shall prevent either Party from seeking emergency relief in appropriate circumstances from a court of competent jurisdiction.

33. **CITY'S OPTION TO TERMINATE:** The Contract may be terminated in accordance with the following provisions, which are not exclusive:

A. Termination for Convenience: At any time prior to completion of services specified under the Contract, the City may terminate the Contract for any reason by submitting written notice via certified or registered mail to the Contractor, not less than fifteen (15) days prior to the termination date, of its intention to do so. If the termination is for the City's convenience, payment to the Contractor will be made promptly for the amount of any fees earned to the date of the notice of termination and costs of materials obtained in preparation for Work but not yet installed or delivered, less any payments previously made. However, if a notice of termination is given to a Contractor prior to completion of twenty (20) percent of the estimated services, as set forth in the approved Work Schedule and Progress Report, the Contractor will be reimbursed for that portion of any reasonable and necessary expenses incurred to date of the notice of termination that are in excess of the amount earned under its approved fee to the date of said termination. Such requests for reimbursement shall be supported with factual data and shall be subject to the City's approval. The Contractor shall make no claim for additional compensation against the City by reason of such termination.

B. Termination for Cause:

- i. Breach: Contractor shall be in default if Contractor fails in any manner to fully perform and carry out each and all conditions of this Contract, including, but not limited to, Contractor's failure to begin or to prosecute the Work in a timely manner or to make progress as to endanger performance of this Contract; failure to supply a sufficient number of properly skilled employees or a sufficient quantity of materials of proper quality; failure to perform the Work unsatisfactorily as determined by the City; failure to neglect or refuse to remove materials; or in the event of a breach of warranty with respect to any materials, workmanship, or performance guaranty.

Contractor will not be in default for any excusable delays as provided in Sections 19-21.

The City may give Contractor written notice of such default. If Contractor does not cure such default or provide a plan to cure such default which is acceptable to the City within the time permitted by the City, then the City may terminate this contract for cause.

- ii. Proceedings for Relief of Debtors: If a federal or state proceeding for relief of debtors is undertaken by or against Contractor, or if Contractor makes an assignment for the benefit of creditors, then the City may immediately terminate this contract.
- iii. Dishonest Conduct: If Contractor engages in any dishonest conduct related to the performance or administration of this Contract then the City may immediately terminate this contract.
- iv. Cover: In the event the City terminates this contract as provided in this section, the City may procure, upon such terms and in such manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services, interest, or other charges the City incurs to cover.
- v. Rights and Remedies Not Exclusive: The rights and remedies of the City provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

34. GENERAL COMPLIANCE WITH LAWS: The Contractor and any sub-contractor approved under this Contract shall comply with all applicable Federal, State and local laws, including but not limited to the Burlington Livable Wage Ordinance, the Non-Outsourcing Ordinance, and the Union-Deterrence Ordinance and shall provide the required certifications attesting to compliance with these ordinances (see attached ordinances and certifications).

Provisions of the Contract shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both Parties. If, for any reason, a provision in the Contract is unenforceable or invalid, that provision shall be deemed severed from the Contract, and the remaining provisions shall be carried out with the same force and effect as if the severed provisions had never been a part of the Contract.

35. CIVIL RIGHTS AND EQUAL EMPLOYMENT OPPORTUNITY: During performance of the Contract, the Contractor will not discriminate against any employee or applicant for employment because of religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, crime victim status, or genetic information. Contractor, and any sub-contractors, shall comply with any Federal, State, or local law, statute, regulation, Executive

Order, or rule that applies to it or the services to be provided under this contract concerning equal employment, fair employment practices, affirmative action, or prohibitions on discrimination or harassment in employment.

36. **CHILD SUPPORT PAYMENTS:** By signing the Contract, the Contractor certifies, as of the date of signing the Contract, that the Contractor (a) is not under an obligation to pay child support; or (b) is under such an obligation and is in good standing with respect to that obligation; or (c) has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan. If the Contractor is a sole proprietorship, the Contractor's statement applies only to the proprietor. If the Contractor is a partnership, the Contractor's statement applies to all general partners with a permanent residence in Vermont. If the Contractor is a corporation, this provision does not apply.
37. **TAX REQUIREMENTS:** By signing the Contract, the Contractor certifies, as required by law under 32 VSA, Section 3113, that under the pains and penalties of perjury, that the Contractor is in good standing with respect to payment, or in full compliance with a plan to pay, any and all taxes due the State of Vermont as of the date of signature on the Contract.
38. **NO GIFTS OR GRATUITIES:** The Contractor shall not make any payment or gift or donation of substantial value to any elected official, officer, employee, or agent of the City during the term of this Contract.
39. **ASSIGNMENT:** Contractor shall not sublet or assign this Work, or any part of it, without the written consent of the City. If any sub-contractor is approved, Contractor shall be responsible and liable for all acts or omissions of that sub-contractor for any Work performed. If any sub-contractor is approved, Contractor shall be responsible to ensure that the sub-contractor is paid as agreed and that no lien is placed on any City property.
40. **TRANSFERS, SUBLETTING, ETC:** The Contractor shall not assign, sublet, or transfer any interest in the work, covered by this Contract, without prior written consent of the City, and further, if any sub-contractor participates in any work involving additional services, the estimated extent and cost of the contemplated work must receive prior written consent of the City. The approval or consent to assign or sublet any portion of the work, shall in no way relieve the Contractor of responsibility for the performance of that portion of the work so transferred. The form of the sub-contractor's contract shall be as developed by the Contractor and approved by the City. The Contractor shall ensure that insurance coverage exists for any operations to be performed by any sub-contractor as specified in the insurance requirements section of this Contract.

The services of the Contractor, to be performed under the Contract, shall not be transferred without written authorization of the City. Any authorized sub-contracts shall contain all of the same provisions contained in and attached to the original Contract with the City.

41. **CONTINUING OBLIGATIONS:** The Contractor agrees that if because of death, disability, or other occurrences, it becomes impossible to effectively perform its services in compliance with the Contract, neither the Contractor nor its surviving members shall be relieved of their obligations to complete the Contract unless the City agrees to terminate the Contract because it determines that the Contractor is unable to satisfactorily execute the Contract.
42. **INTERPRETATION & IMPLEMENTATION:** Provisions of the Contract shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both Parties.
43. **ARM'S LENGTH:** This Contract has been negotiated at arm's length, and any ambiguity in any of its terms or provisions shall be interpreted in accordance with the intent of the Parties and not against or in favor of either the City or Contractor.
44. **RELATIONSHIP:** The Contractor is an independent contractor and shall act in an independent capacity and not as officers or employees of the City. To that end, the Contractor shall determine the method, details, and means of performing the work, but will comply with all legal requirements in doing so. The Contractor shall provide its own tools, materials, or equipment. The Parties agree that neither the Contractor nor its principal(s) or employees are entitled to any employee benefits from the City. Contractor understands and agrees that it and its principal(s) or employees have no right to claim any benefits under the Burlington Employee Retirement System, the City's worker's compensation benefits, health insurance, dental insurance, life insurance, or any other employee benefit plan offered by the City. The Contractor agrees to execute any certifications or other documents and provide any certificates of insurance required by the City and understands that this Contract is conditioned on its doing so, if requested.

The Contractor understands and agrees that it is responsible for the payment of all taxes on the above sums and that the City will not withhold or pay for Social Security, Medicare, or other taxes or benefits or be responsible for any unemployment benefits.

45. **CHOICE OF LAW:** Vermont law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract, notwithstanding conflicts of law principles. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision rendered null and void by operation of this provision shall not invalidate the remainder of this Contract to the extent capable of execution.
46. **JURISDICTION:** All suits or actions related to this Contract shall be filed and proceedings held in the State of Vermont, notwithstanding any other law.

47. **BINDING EFFECT AND CONTINUITY:** This Contract shall be binding upon and shall inure to the benefit of the Parties, their respective heirs, successors, representatives, and assigns. If a dispute arises between the Parties, each Party will continue to perform its obligations under this Contract during the resolution of the dispute, until the Contract is terminated in accordance with its terms.
48. **SEVERABILITY:** The invalidity or unenforceability of any provision of this Contract, shall not affect the validity or enforceability of any other provision, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Contract in accordance with the intent of this Contract.
49. **ENTIRE CONTRACT & AGREEMENT:** This Contract constitutes the entire Contract, agreement, and understanding of the Parties with respect to the subject matter of this Contract. Prior or contemporaneous additions, deletions, or other changes to this Contract shall not have any force or effect whatsoever, unless embodied herein.
50. **APPENDICES:** The City may attach to these conditions appendices containing various forms and typical sample sheets for guidance and assistance to the Contractor in the performance of the work. It is understood, however, that such forms and samples may be modified, altered, and augmented from time to time by the City as occasions may require. It is the responsibility of the Contractor to ensure that they have the latest versions applicable to the Contract.
51. **NO THIRD PARTY BENEFICIARIES:** This Contract does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Contract and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Contract are incidental to this Contract, and do not create any rights for such third parties.
52. **WAIVER:** Notwithstanding the passage of time, a Party's failure or delay in exercising any right, power, or privilege under this Contract, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

**Attachment E:
Burlington Livable Wage Ordinance Certification**



MEMORANDUM

To: Burlington Board of Finance
Burlington City Council

From: Darren Springer, General Manager
Munir Kasti, COO and Manager of Utility Services and Engineering
Emily Stebbins-Wheelock, CFO and Manager of Strategy and Innovation

Date: 10/21/2025

Subject: EV Site License Agreement

Burlington Electric Department's ("BED's") is bringing forward a generic site license agreement that will govern placement of public BED-owned electric vehicle ("EV") charging infrastructure on private property in Burlington. There is no monetary exchange provided for, but rather this license agreement would provide BED and the property owner certain rights and obligations in installing public chargers on private property.

BED currently manages 3 fast charging stations, and dozens of level 2 charging ports around the City, including on City or BED property such as 585 Pine Street and City lots and garages such as Marketplace Garage, as well as on non-City property such as at UVM and at the Ethan Allen Plaza Hannaford parking lot. This site license is based on similar individual site agreements for EV charging, and is intended to provide a generic approved site license that can be used by BED going forward, with appropriate review of any specific site terms by the City Attorney's Office.

BED staff will be present at the Board of Finance and City Council meetings on 10/21/25 to answer any questions. Thank you for your consideration.

MOTIONS

Board of Finance: To approve and recommend approval to the City Council that the General Manager or their delegee may execute with one or more sites the generic EV site license agreement presented, with any specific site terms added as necessary and with review by the City Attorney's Office.

Burlington Electric Department
585 Pine Street Burlington, VT 05401
burlingtonelectric.com

Phone 802.658.0300

City Council: To approve that the General Manager or their delegee may execute with one or more sites the generic EV site license agreement presented, with any specific site terms added as necessary and with review by the City Attorney's Office.

ELECTRIC VEHICLE CHARGING INFRASTRUCTURE (EVCI) AGREEMENT

CITY OF BURLINGTON
AND
<<PROPERTY OWNER>>

THIS ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AGREEMENT (this “EVCI Agreement”) is made and entered into this ____ day of _____, 2025 by and between the CITY OF BURLINGTON, a Vermont Municipal Corporation located in Chittenden County, acting through its Electric Department (“BED”), and <<PROPERTY OWNER>> its successors or assigns (“ ”) a ____ with principal offices at ____.

WHEREAS, BED and <<PROPERTY OWNER>> desire to enter into this EVCI Agreement to expand the public availability of electric vehicle charging infrastructure within the CITY OF BURLINGTON in order to encourage the increased use of alternatives to fossil fuel-fired transportation;

WHEREAS, BED has built or contracted for a communications platform and administrative mechanism for the purpose of operating and collecting funds for such infrastructure that can be expanded to provide public vehicle charging services within the City of Burlington; and

WHEREAS, BED owns and operates public vehicle charging stations and provides electric vehicle (“EV”) charging services at such stations at rates that are approved by the Vermont Public Utility Commission; and,

WHEREAS, <<PROPERTY OWNER>> owns and or manages all parking areas at the Site Location (as defined by the map in Exhibit A);

NOW THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, BED and <<PROPERTY OWNER>> hereby agree as follows:

1. <<PROPERTY OWNER>> hereby grants BED the right to install, operate and maintain up to ____ BED-owned Level <<Two or Three>> vehicle charging stations (individually “Charging Station” and collectively the “Charging Stations” or “EVCI”) at the Site Location at the area marked in Exhibit A. Each such Charging Station will include a dedicated parking space, whereby such parking will be dedicated to electric vehicle charging only and available to the public with such parking restrictions as imposed by <<PROPERTY OWNER>>. <<PROPERTY OWNER>> will not impose any parking limitations that will prohibit or penalize any Charging Station user from obtaining a sufficient battery charge for their vehicle consistent with BED’s public EV charging tariff, and will make every attempt to meet Americans with Disabilities Act (“ADA”) access requirements at each vehicle Charging Station.

2. The initial term of this EVCI Agreement shall be three years beginning xxx, 20__ and ending xxx, 20__ (the “Initial Term”). Upon the expiration of the Initial Term, this EVCI Agreement shall automatically renew for successive one-year periods unless and until terminated by either party pursuant to the terms hereof (any such renewal terms together with the Initial Term, the “Term”).

3. During the Initial Term, BED and <<PROPERTY OWNER>> will install up to ____ Level <<Two or Three>> EV Charging Stations at the Site Location, with specific locations mutually agreed to between the parties and, to the extent such consent is required, the City of Burlington, Vermont. Once agreed to between the parties, a site plan showing the final Site Locations shall be attached to this EVCI Agreement as Exhibit B. The final selected Site Locations shall provide unrestricted and unobstructed access to the Charging Stations as is necessary for (i) charging EVs by any EV owners or operators 24 hours a day and seven days a week, and (ii) maintenance and repair of the Charging Stations by BED or its representatives.

4. BED will provide site assessment and approved construction drawings as needed for each Charging Station location that both parties consider viable for service to be provided to the Charging Stations from BED’s distribution system. <<PROPERTY OWNER>> shall coordinate and agree to provide access for BED to such locations and any associated infrastructure needed for assessment, construction, and operation of the Charging Stations as mutually agreed upon by <<PROPERTY OWNER>> and BED. BED will provide site assessment and EVCI installation, including site work, commissioning and ongoing maintenance of equipment, hardware, and software at no cost to <<PROPERTY OWNER>>. Prior to the initial EVCI installation work performed at the Site Location, BED will provide current insurance certificates for all contractors and subcontractors as outlined in Section 14.

5. <<PROPERTY OWNER>> reserves the right to request removal of any Charging Station or EVCI-associated electrical equipment within the Site Location upon 120 days prior written notice to BED. BED will remove such Charging Stations from the Site Location and restore the Site Location to pre-installation conditions.

6. Following receipt of all necessary consents detailed in this EVCI Agreement, BED shall arrange for installation of all Charging Stations per Exhibit B attached hereto.

7. BED will provide electricity to the EVCI directly from its distribution system. BED will sell, at the same cost, charging services to all users of the EVCI infrastructure. Such cost will be according to tariffs approved by the Vermont Public Utility Commission as may be adjusted from time to time. BED’s public EV charging tariff includes “overstay” pricing to encourage EVCI users to stay in a location no longer than needed to obtain a full battery charge. BED will collect all amounts directly through a transaction that is managed through the BED charging network. BED’s public EV charging tariff is subject to change with the approval of the Vermont Public Utility Commission.

8. BED will have responsibility for the posting of electronic messages that appear on the EVCI user interface screen. <<PROPERTY OWNER>> will have the right to submit electronic

messages to BED for display on the EVCI user interface screen and BED will accommodate such messages to the extent possible. <<PROPERTY OWNER>> may change such messages no more than four times per year.

9. BED and <<PROPERTY OWNER>> agree that the Charging Stations shall at all times be available for access and use by the public 24 hours a day, seven days a week during the Term of this EVCI Agreement; provided, however, that <<PROPERTY OWNER>> shall have the right to restrict access and/or use of the Charging Station during agreed upon dates and times and in cases of emergency.

10. BED shall obtain any and all necessary federal, state, municipal or other licenses, permits and/or approvals for the installation and operation of the Charging Stations, but not including any <<PROPERTY OWNER>> signage pursuant to Section 18 below. <<PROPERTY OWNER>> shall cooperate and assist in obtaining all of such licenses, permits and approvals.

11. BED will be solely responsible for all necessary servicing and repair of the Charging Stations. In the event of any Charging Station failure, damage, or other problem requiring repair, replacement, adjustment or maintenance, <<PROPERTY OWNER>> shall notify BED or a person designated by BED within twenty-four (24) hours of first becoming aware of such failure or problem. <<PROPERTY OWNER>> will not permit anyone, other than an authorized representative or designee of BED, to perform any service or repair work on a Charging Station without BED's prior written approval. BED or its representatives shall at any reasonable time and at all times during business hours have the right to enter into and upon the Site Location for the purpose of inspecting, repairing, maintaining, or upgrading Charging Stations and observing their use. <<PROPERTY OWNER>> shall keep the Site Locations clean and shall maintain the space surrounding Charging Stations in a safe, neat and orderly condition. In the event of problem or failure with the charging station, BED or its designee shall be on-site to assess the situation within three business days of notice from <<PROPERTY OWNER>>, and perform such repairs or replacement in a timely manner, unless extenuating circumstances exist.

12. BED will obtain data remotely through the reporting system in each Charging Station. If requested, BED will provide <<PROPERTY OWNER>> access to EVCI data subject to the redaction of any personally identifiable information.

13. The Charging Stations shall remain at all times the personal property of BED. BED shall be solely responsible for Charging Station property insurance and shall insure the EVCI against loss, theft, damage, or destruction in amounts determined by its sole judgement.

14. BED shall, at its own cost and expense, obtain and maintain in continuous effect a policy, or policies, of commercial general liability insurance with limits of not less than One Million Dollars (\$1,000,000) combined single limit, including coverage for bodily injury and property damage, contractual liability and for property of others in BED's care, custody and control, to include fire, legal liability, commercial automobile liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence, including operation of owned, non-owned and hired vehicles; coverage for workers compensation in accordance with State or Federal statute; and Employers Liability Insurance with limits of not less than One Hundred Thousand

Dollars (\$100,000) per occurrence and Five Hundred Thousand Dollars (\$500,000) annual aggregate. BED shall be responsible for carrying property insurance on its own personal property as well as any improvements or betterments to the Site Location. Should any of the described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. BED shall submit, at the time of signing this EVCI Agreement, proof of all of the above referenced insurance coverages.

15. <<PROPERTY OWNER>> will maintain all aspects of parking and roadways required for the use of Site Locations, including, but not limited to landscaping, snow removal, paving, parking charges and signage.

16. <<PROPERTY OWNER>> represents and warrants that it is the owner of the Site Location or otherwise has the legal authority to enter into this EVCI Agreement.

17. In the event <<PROPERTY OWNER>> transfers ownership of any Site Locations, or if <<PROPERTY OWNER>> sells its business, <<PROPERTY OWNER>> shall notify BED not less than sixty (60) days prior to any such event. In such event, this EVCI Agreement shall automatically terminate.

18. Each party shall, at its option, have the right to publicly advertise the availability of the Charging Stations. Each party shall further, at its option, have the right to install appropriate signage at the Property and the Site Locations. Depending upon the extent of the signage, it may be subject to the prior approval of the City of Burlington. Any and all such advertisements shall be approved by the other party prior to use by such party, such approval not to be unreasonably withheld, conditioned or delayed. Any and all signage shall be approved by the other party prior to use by such party and, to the extent such approval is necessary, the City of Burlington, Vermont.

19. Except to the extent arising out of or related to the negligence or willful misconduct of <<PROPERTY OWNER>>, its agents, employees or servants, BED shall, to the greatest extent permissible by law, indemnify <<PROPERTY OWNER>> and hold it harmless from and against any and all damages, liabilities and expenses incurred in connection with loss of life, personal injury and/or damage to property arising out of the Charging Station or any part thereof, if occasioned wholly or in part by any act or omission of BED, its agents, employees or servants. In the event of any claim for damages, liabilities and expenses incurred in connection with loss of life, personal injury and/or damage to property to the extent arising out of the Charging Station occasioned by the negligence or willful misconduct of <<PROPERTY OWNER>>, <<PROPERTY OWNER>> shall, to the greatest extent permissible by law, indemnify and hold harmless BED from and against any such claim.

20. Either party may terminate this EVCI Agreement, effective thirty (30) days after giving written notice of intent to terminate, upon the occurrence of a material breach provided that such breach continues for thirty (30) days after written notice of such breach. In addition, either party may terminate this EVCI Agreement for convenience at any time upon giving ninety (90) days prior written notice to the other party. Upon termination or expiration of this EVCI Agreement, or in the event that BED chooses to no longer own and operate the Charging Stations, they shall offer <<PROPERTY OWNER>> the option to purchase the EVCI's at depreciated book

value. If <<PROPERTY OWNER>> elects not to acquire the Charging Stations, BED shall remove all of its property and restore the Site Location set forth on Exhibit A, to its prior condition. The condition of Site Locations prior to BED installation of its charging station shall be documented by photo and attached hereto as Exhibit B once the final Site Locations are agreed upon.

21. All notices hereunder shall be in writing and shall be deemed given upon deposit in the United States mail, first class postage fully prepaid, certified mail, return receipt requested, addressed to BED and <<PROPERTY OWNER>> at their respective addresses as listed below. Any party may change its address for notice in accordance with the terms of this section.

If to BED:

Burlington Electric Department
585 Pine Street
Burlington, VT 05401
(802)658-0300

If to <<PROPERTY OWNER>>:

22. If suit or action is instituted to enforce or interpret any of the terms of this EVCI Agreement, the substantially prevailing party shall be entitled to recover from the other party, in addition to costs, such sums as the court may adjudge reasonable for legal fees.

23. <<PROPERTY OWNER>> understands and agrees that BED makes no warranty, express, implied or statutory, as to any matter whatsoever, including the condition of the charging station, its merchantability or fitness for any particular purpose.

24. Neither party shall in any event be responsible to the other party for any lost profits or incidental, consequential, special or indirect damages.

25. Neither party will be liable for failure to perform its obligations under this EVCI Agreement if such failure is due to acts or events beyond such party's reasonable control and not reasonably anticipated at the time of execution of this EVCI Agreement.

26. Neither party may assign or dispose of any of its rights or obligations under this EVCI Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld, conditioned or delayed. This EVCI Agreement is binding on the successors and permitted assigns of the parties.

27. A waiver by either party of a breach of any provision of this EVCI Agreement shall not constitute a waiver of that party's rights to otherwise demand strict compliance with this EVCI Agreement and any and all provisions hereof. Any waiver must be agreed to in writing by the Party waiving its right or rights.

28. This EVCI Agreement, including any schedule or exhibit attached hereto, constitutes the entire EVCI Agreement of the parties with respect to the subject matter hereof. There are no other promises, representations, terms, conditions or obligations other than those contained herein. This EVCI Agreement supersedes all prior communications, representations or EVCI Agreements, oral or written, between the parties and shall not be modified except in writing signed by both parties.

29. This EVCI Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Vermont, without giving effect to principles of conflicts of laws that would require the application of any other law.

IN WITNESS WHEREOF, the undersigned duly authorized representatives of the parties have executed this EVCI Agreement as of the date first written above.

**CITY OF BURLINGTON
BURLINGTON ELECTRIC
DEPARTMENT**

<<PROPERTY OWNER>>

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A
SITE LOCATION

DRAFT

Board of Finance and City Council Submission Checklist

Version: April 2025

Department: Burlington Electric Submitter: Darren Springer

Title/Subject: EV site license

Approval Requested:	Meeting Date:
<input type="checkbox"/> Board of Finance	Click or tap to enter a date.
<input type="checkbox"/> City Council	Click or tap to enter a date.
<input checked="" type="checkbox"/> Both BOF and Council	10/21/2025

Instructions

1. This form must be completed by the person submitting the materials.
2. This form must be sent with the final submission of materials in advance of the meeting.
3. Do not indicate that a sign-off was received until it has actually been obtained.
4. Commission reports and presentations do not need to be reviewed by the CAO or Attorneys.
5. Name the reviewing Attorney or HR Manager in the Note column.

Signoff Needed	Received?	Approval Date	Note
Department Head	Yes	10/3/2025	Darren Springer
Mayor's Office	Yes	10/10/2025	Erin Jacobsen
Board/Commission	Yes	10/8/2025	Click or tap here to enter text.
City Attorney's Office for memo and contracts or legal documents	Yes	10/16/2025	Jessica Brown
City Attorney's Office for memo and motion(s) or resolution(s)	Yes	10/16/2025	Jessica Brown, motions included
CAO for budget, financing, and memo	Yes	10/10/2025	Katherine Schad
Human Resources, if personnel action or policy	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if IT-related	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.



BURLINGTON FIRE DEPARTMENT

136 S. Winooski Avenue, Burlington, VT 05401

Phone: (802) 864-4554 Fax: (802) 865-5387

MEMO

TO: Board of Finance
FROM: Michael Curtin – Fire Chief
CC: Dave Hammond, Fleet Manager; Lee Perry, Assistant Director of Public Works; Ashely Parker, Capital Program Director
DATE: October 21, 2025
SUBJECT: Purchase of BFD Ambulance

Due to budgetary pressures and lack of funding, the City’s Fleet has not been able to keep up with its replacement schedule for the last three years. This deferred replacement schedule includes at least one ambulance. The City’s previous Fire Chief identified a purchasing opportunity to replace one ambulance in FY25, and jumped on placing an order given the known delays for vehicle build out and delivery. This order initiated a 36 month delivery schedule, and gave the City some time to identify funds to support the purchase. This purchase will replace an older 2017 frontline ambulance, which in turn replaces a 2014 reserve ambulance that has reached the end of its service life. Regular fleet replacement is essential to ensure reliable delivery of emergency medical services (EMS). A new unit will reduce maintenance costs, improve reliability, and maintain the high standards of service expected by our community.

As stated in the City of Burlington Fleet Committee FY26 Vehicle Purchase Recommendation memo cost chart (see attachment A), that was approved by City Council on August 4, 2025, a second ambulance purchase was recommended and noted there were unidentified General Fund revenues to support the purchase. Since the approval of the FY26 Vehicle Purchase memo, the Department of Finance & Administration has identified the funds needed to start the purchasing process. This requires Board of Finance authorization per the City Purchasing Policy, to effectuate a budget amendment and also transfer the funds for the purchase.

The Burlington Fire Department is requesting a budget amendment (BA) to support the purchase of a replacement ambulance in the amount of \$415,206. The funds for this purchase are coming from a balance of funds from the Fire Departments FY25 Operating Budget. These were pushed into the City’s Unassigned Fund Balance in FY26 and are being recommended by the Department of Finance & Administration for allocation to purchase the ambulance.

Requested Action:

Board of Finance Motion: Move to approve and recommend that the Board of Finance authorize the Chief Administrative Officer, or her designee, to effectuate necessary budget amendments and the transfer of funds in the amount of \$415,206 from the FY26 Unassigned Fund Balance to allow the Burlington Fire Department to complete the purchase of one (1) replacement ambulance.

Thank you for considering this request.



CITY OF BURLINGTON

FLETCHER FREE LIBRARY

235 College Street
Burlington, VT 05401
802.863.3403

MEMORANDUM

TO: City of Burlington, Board of Finance
City of Burlington, City Council

FROM: Fletcher Free Library – Mary Danko, Library Director

DATE: October 21, 2025

SUBJECT: Memorandum of Understanding (MoU) between the Friends of the Fletcher Free Library (Friends) and the Fletcher Free Library--City of Burlington

Purpose:

This memo asks for the acceptance of the agreed upon MoU between the Fletcher Free Library--City of Burlington and the Friends of the Fletcher Free Library (Friends) to support a capital campaign aimed at funding critical renovation to the City's public library.

Background:

The Friends of the Fletcher Free Library (Friends) and the Fletcher Free Library (FFL) have a longstanding relationship dedicated to serving the Burlington community. The Friends is a nonprofit organization, established in 1957, with the mission of supporting FFL through fundraising, advocacy, and volunteer efforts. In 2018, the City of Burlington developed a Memorandum of Understanding (MOU) to give the Friends primary responsibility over fundraising efforts for FFL. In the past few years, the Friends have supported a 2019 fundraising feasibility study, 2019 revision design document, and 2022 schematic design work, to meet community library needs as indicated through public input. As the Friends embark on the capital campaign for the much-needed FFL renovation, a separate MoU is needed to formalize a collaborative framework between the City and the Friends to advance shared goals the transformational remodeling of this community asset.

Justification for the MoU:

1. Clear Roles and Responsibilities: this MoU defines the roles of both parties, ensuring transparency for taxpayers and accountability in fundraising, project management, and communications.

2. Enhanced Fundraising Capacity: the Friends can access private philanthropic donations and networks, may solicit contributions more flexibly than the City, and allows donors to give anonymously to a 501(c)(3) organization. The Friends have already secured pledged support of nearly \$14M toward this project. A formal agreement strengthens their credibility and fundraising appeal for private donors.
3. Alignment with Public Interest: the MoU ensures that all funds raised by the Friends in the capital campaign will be used in alignment with City-approved capital needs for the library to update the largest public building in Burlington to meet public needs. FFL serves as a cornerstone of the community, providing access to information, technology, educational programming, and gathering space for community members of all ages. Strategic investment in library facilities is necessary to ensure long-term sustainability and relevance.
4. Risk Management: the MoU establishes safeguards around fund disbursement, reporting, and donor stewardship of the capital campaign, protecting both the City and the Friends from reputational or financial risk.

Due Diligence:

On May 22, 2025 a draft of this Capital Campaign MOU was reviewed and approved by the City's Parks, Arts and Culture Committee.

Request:

1. We respectfully request that the Board of Finance approve the following motion:

To approve and recommend that the City Council authorize the Director of the Fletcher Free Library to execute a Capital Campaign Memorandum of Understanding with the Friends of the Fletcher Free Library subject to review and approval of the City's Attorney.

2. We respectfully request that the City Council approve the following motion:

To approve and authorize the Director of the Fletcher Free Library to execute the Capital Campaign Memorandum of Understanding with the Friends of the Fletcher Free Library subject to review and approval of the City's Attorney.

Attachment: Draft Capital Campaign MoU

MEMORANDUM OF UNDERSTANDING
Between Friends of Fletcher Free Library, Inc. and the City of Burlington

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is entered into as of September __, 2025 (the “Effective Date”) by and between the **City of Burlington**, a Vermont municipal corporation (the “CITY”), for the Fletcher Free Library (“LIBRARY”) a department of the CITY, and **Friends of Fletcher Free Library, Inc.**, a Vermont nonprofit 501(c)3 corporation (“THE FRIENDS”) with its principal place of business in Burlington, Vermont (collectively, the PARTIES).

DEFINITIONS.

- A. **LIBRARY RENOVATION PROJECT.** The “Library Renovation Project” as used in this MOU means the City of Burlington’s initiative to secure a contractor and to renovate the library in keeping with the Schematic Design completed by Dore + Whittier on October 5, 2022: addition of sustainable energy sources and electrical storage/back up electrical generation, creating an isolatable building wing, improving job-finding tools and resources, improving functional space for youth and teens, increasing interior and exterior public meeting space, improving accessibility and improving wayfinding.
- B. **THE CAPITAL CAMPAIGN.** The “Capital Campaign” as used in this MOU means the implementation of THE FRIENDS’ fundraising effort to secure the necessary money to allow the CITY to complete the Library Renovation Project.
- C. **PRIVATE FUNDS AND PHILANTHROPY.** “Private Funds” and “Philanthropy” as used in this MOU mean financial and other contributions and commitments from the private sector, including from individuals, corporations (whether for-profit, non-profit, or benefit corporations), and from community, family, and corporate foundations, as well as donor-advised funds.
- D. **PUBLIC FUNDS.** “Public Funds” as used in this MOU means funding from sources other than Private Funds and Philanthropy, including funds from local, state, and federal grants, other government entities, earned income, and state or federal legislative appropriations.

RECITALS.

The PARTIES enter into this MOU based on the following facts, understandings, and intentions:

1. The LIBRARY is a vital CITY-run community resource; and

2. THE FRIENDS is organized to support the mission and work of the LIBRARY in whatever way is deemed appropriate, including raising money for special projects and promoting the LIBRARY; and
3. The LIBRARY and THE FRIENDS have an existing Agreement, attached and incorporated herein as Exhibit 1 that delineates the responsibilities of the LIBRARY and THE FRIENDS and which was most recently executed October 24, 2018, and amended and approved by THE FRIENDS on May 23, 2023, and by the CITY on December 18, 2023; and
4. The CITY, the LIBRARY, and THE FRIENDS agree that the library building requires substantial renovations to make it a 21st century institution, realizing the vision of the Library following the Schematic Design completed by Dore + Whittier on October 5, 2022; and
5. The scale and quality of renovations envisioned likely exceed sources of public funds available, the PARTIES recognize that facilitating private contributions to support the renovation project will be necessary, and raising and managing private funding is not a traditional function of the CITY or the LIBRARY, nor is it a function the CITY or the LIBRARY has current capacity or desire to undertake; and
6. Pursuant to Section III, Paragraph “g” of the existing agreement, the Library has requested, and THE FRIENDS agree, to undertake a Capital Campaign for the Library, with the intent of raising \$32 million dollars;
7. The intent of this MOU is to provide additional detail on the relationship between THE FRIENDS, the LIBRARY, and the CITY in undertaking this Capital Campaign.

NOW, THEREFORE the PARTIES agree as follows:

1. RECITALS. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. CAPITAL CAMPAIGN.
 - a. **TERM**. This MOU shall begin on the date of execution by both PARTIES and shall remain in effect until *either* the Capital Campaign is successfully completed by raising at least \$32 million dollars and use of the funds for completion of the Library Renovation Project *or* it is terminated by mutual consent or by either party as permitted in paragraph 2(b).

- b. **TERMINATION.**
 - i. **BASIS.** This MOU may be terminated by mutual consent. In addition, either PARTY may terminate this MOU if the other becomes insolvent. In the event of a breach of this agreement, the party in breach shall be provided written notice of breach and opportunity to cure. If the breach cannot be cured within thirty (30) days, the MOU may be terminated. In the alternative, the PARTIES may agree to amend the MOU to extend to a date certain the time in which the party in breach must cure.
 - ii. **TIMING.** Termination by either PARTY shall be subject to a thirty (30) day notice in writing.
- 3. **CITY RESPONSIBILITIES.** To be conducted by the Library Director or designee(s).
 - a. **EXISTING AGREEMENT.** All responsibilities of the LIBRARY as described in Part II of the existing Agreement (Exhibit 1) are incorporated by reference herein; and
 - b. **APPROVAL.** The CITY, through the Office of the Mayor and the City Council, as described in the CITY's procurement policy and procedure, has final approval for the Library Renovation Project and will receive input from THE FRIENDS, and appropriate City Committees and Commissions.
 - c. **PUBLIC FUNDING OPPORTUNITIES.** The CITY will participate through the Library Director or designee, or other appropriate CITY official subject to the City's grant policy, in submitting applications for public funding, including serving as the Applicant where necessary and appropriate. The CITY will notify THE FRIENDS of public funding opportunities when it becomes aware of such opportunities. The CITY shall have sole discretion as to whether to accept such public funding subject to conditions.
 - d. **PRIVATE FUNDING AND PHILANTHROPIC OPPORTUNITIES.** The CITY will cooperate with THE FRIENDS in philanthropic pursuits where public sector involvement is needed and appropriate. In the event in-kind contributions, or local financial matches are required, the CITY will cooperate by determining whether in-kind or match funds are available and notifying THE FRIENDS of its determination. The CITY cannot guarantee commitment of funds for local match. The CITY shall have sole discretion as to whether to accept funding subject to conditions.

- e. **START OF LIBRARY RENOVATION PROJECT. THE FRIENDS** will provide notice in writing to the LIBRARY Director when eighty-five percent (85%) of funds are raised or pledged through the Capital Campaign. Upon receipt of such notice, the CITY will commence the competitive bidding process with a start date of construction within nine (9) months. If circumstances outside of the City's control occur that prevent commencing the bidding process with an identified start date within nine (9) months, an extension of the start date may be set consistent with Paragraph 4(f) of this MOU.
 - f. **LIBRARY RENOVATION PROJECT COSTS.** Upon commencement of construction, the CITY will invoice THE FRIENDS for expenses incurred to commence or complete the Library Renovation Project within 30 days of the completion of the quarter in which expenses were incurred by sending an invoice to: Jonathan Chapple-Sokol, President (or his successor), Friends of the Fletcher Free Library, 235 College Street, Burlington, VT 05401. The CITY will make every reasonable effort to invoice THE FRIENDS only for LIBRARY-approved capital needs expenses that can be reimbursed with funds raised in the Capital Campaign and which further the charitable purpose of THE FRIENDS.
 - g. **INDEMNIFICATION.** The CITY shall indemnify and hold harmless THE FRIENDS, its respective officers, directors, agents, employees, successors and assigns, against all claims, losses, damages, liabilities, penalties, expenses, reasonable legal fees and costs of any kind or amount whatsoever, arising from injury to person or property in the course of any capital work as part of the Library Renovation Project. This section shall survive termination hereof.
 - h. **HIRING OF CONSULTANTS.** The CITY may hire consultants as it deems necessary to cooperate in public funding and private funding and philanthropic opportunities pursued by THE FRIENDS.
 - i. **ADDITIONAL MEMORANDA OF UNDERSTANDING, CONTRACTS, OR PARTNERSHIP DOCUMENTS.** The CITY agrees to cooperate to the extent feasible in execution of any additional Memoranda of Understanding, Contracts, or Partnership Documents necessary for THE FRIENDS to successfully complete the Capital Campaign.
4. **THE FRIENDS' RESPONSIBILITIES.**
- a. **EXISTING AGREEMENT.** All responsibilities of THE FRIENDS as described in Part III of the existing Agreement (Exhibit 1) are incorporated by reference herein.

- b. **PUBLIC FUNDING OPPORTUNITIES.** THE FRIENDS will seek and secure public funding opportunities for which the Library Renovation Project is eligible. Where permitted by the public funding opportunity, THE FRIENDS will apply for public funds directly. When CITY permission or participation is necessary to apply for public funds, THE FRIENDS will notify the LIBRARY Director, and will cooperate with the CITY and comply with the CITY's grants policy in such applications, and understanding that the CITY may not be able to apply for or accept funding that is subject to certain conditions, whether the applicant is the CITY, the FRIENDS, or both. If CITY permission or participation is not necessary to apply for public funds, THE FRIENDS will notify the LIBRARY Director of their intent to apply for funds.
- c. **PRIVATE FUNDING AND PHILANTHROPIC OPPORTUNITIES.** THE FRIENDS will seek and secure private funding and philanthropic opportunities for the Library Renovation Project. THE FRIENDS will notify the CITY through the LIBRARY Director of private funding and philanthropic opportunities it will pursue, whether CITY cooperation is needed, what form of cooperation would be required, and will work with the CITY to facilitate such cooperation. If CITY cooperation is needed, the FRIENDS and the CITY will comply with the CITY's grants policy and understanding that the CITY may not be able to apply for or accept funding that is subject to certain conditions.
- d. **HIRING OF PROFESSIONAL FUNDRAISERS.** THE FRIENDS at their expense may, at the discretion of the Board of Directors, hire a professional fundraiser to support the Capital Campaign.
- e. **HIRING OF OTHER CONTRACTORS.** THE FRIENDS may, at the discretion of the Board of Directors, engage other contractors to perform support functions for the Capital Campaign.
- f. **START OF LIBRARY RENOVATION PROJECT.** If the library renovation project does not begin as agreed in paragraph 2(b)(v), and the CITY and THE FRIENDS are unable within a one year grace period to agree to an amendment to this MOU extending the start of the Library Renovation Project, THE FRIENDS may offer to return funds to its donors, or, if permitted by the donor, redirect those funds in furtherance of the charitable purpose of THE FRIENDS.
- g. **SAFEKEEPING OF FUNDS.** THE FRIENDS shall place all funds raised in a THE FRIENDS revenue account that is separate from other THE FRIENDS monies until

transferred to the CITY for the Library Renovation Project or until used by THE FRIENDS for LIBRARY-approved capital needs.

- h. **TRANSFER OF FUNDS.** Upon commencement of construction, THE FRIENDS shall transfer funds raised in the Capital Campaign to the CITY upon receipt of an invoice of expenses for the prior quarter upon confirmation that such expenses are allowable LIBRARY-approved capital needs expenses in furtherance of THE FRIENDS' charitable purpose. THE FRIENDS will pay invoices within 30 days of receipt.

5. RESPONSIBILITIES OF BOTH PARTIES

- a. COMMUNICATION. Both PARTIES agree to cooperate and communicate openly, meet regularly with appropriate personnel present, and discuss issues to identify solutions for orderly and efficient operation of the Capital Campaign. At the outset of any grant performance, the PARTIES shall each designate an authorized representative to function as its primary point of contact for purposes of this MOU, and the authorized representatives shall mutually agree upon an initial regular meeting schedule for checking in regarding grant performance. This schedule shall be flexible and may be changed by mutual oral or written agreement at any time.
- b. COOPERATION AND COORDINATION. To facilitate cooperation and coordination, the PARTIES will establish a Building Committee.
 - i. **MEMBERS.** The Members will include the Library Director (or designee), up to two additional representatives of the CITY selected, after consultation with the Library Director, by the Office of the Mayor, two representatives selected by THE FRIENDS Board of Directors, the Library Renovation Project Architect, and upon execution of a contract, a representative of the Library Renovation Project General Contractor.
 - ii. **PURPOSE.** The Building Committee will exist to facilitate smooth cooperation and coordination of effort in conducting the Capital Campaign and the Library Renovation Project. The Building Committee will be responsible for any activities it determines are needed to increase public awareness of the Library Renovation Project and the capital campaign, and to solicit any desired or required public input into the Library Renovation project.
 - iii. **MEETINGS.** The Building Committee will meet at least quarterly, but has discretion to schedule addition meetings, as needed. A quorum shall be

established when a majority of members of the Committee, or their designees, are in attendance. The Building Committee will designate one member of the committee to be responsible for establishing the agenda and facilitating each meeting. The Building Committee will not supplant decision making responsibility as laid out otherwise in this agreement. When the Building Committee faces decisions where decision-making responsibility has not been defined in this agreement, the Building Committee will make efforts to arrive at decisions by consensus or may agree to designate decision-making to a member of the Building Committee by majority vote. The Building Committee will have discretion to schedule meetings, as needed.

- c. SUSTAINED COMMITMENT. Both PARTIES acknowledge and understand that the scope of fundraising to be undertaken in this capital campaign is significant, and agree that, unless this MOU is terminated as provided in section 2(b) above, each will undertake their separate and shared responsibilities through completion of the capital campaign and Library Renovation Project.
- d. ONGOING AND TIMELY NOTICE. Both PARTIES acknowledge and agree that each will provide the other with ongoing and timely notice of their progress in their respective responsibilities under this MOU, through meetings of the Building Committee, and other written communications. THE FRIENDS will provide to the CITY, at least quarterly, a report on progress toward completion of the Capital Campaign. After the CITY receives notice from THE FRIENDS that the Capital Campaign is 85% complete, the CITY will provide, at least quarterly to THE FRIENDS, a report on use of the Capital Campaign funds in its progress toward completion of the Library Renovation Project.
- e. DOCUMENT RETENTION. Both PARTIES agree that documents related to the capital campaign and Library Renovation Project will be retained for no less than seven (7) years.
- f. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAW. Both PARTIES agree that all activities undertaken under this MOU will comply with applicable Burlington Ordinances, the Vermont Statutes, and federal law.
- g. CONFLICTS OF INTEREST. PARTIES agree that no conflict of interest exists or is likely to arise in relation to the performance of responsibilities under this MOU. PARTIES agree that they will endeavor to ensure no conflicts of interest arise. PARTIES agree to notify the other immediately if a conflict of interest arises or is likely to arise. In the event a conflict of interest arises, the PARTIES will deliberate

and agree in a Building Committee meeting on the necessary action(s) to ensure resolution of the conflict of interest.

- h. CONFIDENTIALITY. If the Building Committee determines that confidentiality of certain information is necessary for completion of the Capital Campaign or the Library Renovation Project, the PARTIES shall execute a separate confidentiality agreement to the extent allowed by law.
- i. INTELLECTUAL PROPERTY. Any intellectual property produced by the PARTIES pursuant to performance of their responsibilities under this MOU shall be the property of the respective party generating its production, unless otherwise agreed in writing.
- j. CONSTRAINTS. The PARTIES acknowledge the following constraints on their mutual efforts under this MOU:
 - i. All restrictions associated with public funds (local, state, or federal funding), including for construction materials, procurement, private advertising, and use of public land, shall be observed even if they impact project flexibility, costs, and timelines. The CITY shall have sole discretion as to whether to accept such public funding subject to conditions.
 - ii. All applicable public bidding and CITY procurement policies and regulations must be followed as directed by the CITY.
 - iii. Private and Public Funding cannot be guaranteed.
 - iv. Unforeseen fluctuations occur in the philanthropic environment and general economy that could impact THE FRIENDS' ability to achieve fundraising milestones.
 - v. Limits to organizational capacity exist, including in the areas of staffing and financial resources.
- k. DISPUTE RESOLUTION. Neither party shall file any litigation arising from this MOU without first attempting in good faith to resolve the PARTIES' dispute through negotiated settlement or mediation; provided, however, that any applicable statute of limitations shall toll during any period in which the PARTIES are actively and mutually engaged in dispute resolution; and provided further that nothing herein shall prevent either party from seeking emergency relief in appropriate circumstances from a court of competent jurisdiction. Subject to the foregoing, if the PARTIES are not

able to resolve their dispute through negotiated settlement, they shall engage in good faith in mediation for a minimum of four (4) hours. The services of the Burlington Community Justice Center may be used for this purpose unless the PARTIES mutually agree to use the services of a particular mediator not associated with the Community Justice Center. If the PARTIES do not reach agreement through mediation, they will meet and confer in good faith to discuss other processes for alternative dispute resolution, including, without limitation, binding or nonbinding arbitration, a settlement conference with a judicial officer if formal litigation has been filed, and early neutral evaluation. In case of any litigation arising from this MOU, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

6. ENTIRE AGREEMENT. This MOU contains the entire understanding of the PARTIES with respect to the subject matter of this memorandum. Modifications shall only be valid if agreed to in a formal written amendment to this MOU, properly executed and approved by both PARTIES.
7. INTERPRETATION. The PARTIES are independent contractors, and neither is the agent or principal of the other. There are no third-party intended beneficiaries of this MOU. This MOU shall not be construed against either party but instead in case of any ambiguity shall be construed in such manner as best effectuates its objects and purposes. If any part of this MOU is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the MOU shall remain in force and effect to the extent necessary to effectuate the original intent of the PARTIES as closely as possible.
8. WAIVER, ASSIGNMENT, AMENDMENT. No waiver, assignment, or amendment to this MOU shall be valid unless in a writing executed by both PARTIES, notwithstanding the passage of time, and no waiver shall be deemed a continuing waiver of the same or any other provision hereof.
9. NOTICE. Any notice required under this MOU shall be delivered to the CITY at the City Attorney's Office, City Hall and to the FRIENDS at its principal place of business as set forth in its registration with the Vermont Secretary of State, unless another address for notice is given by notice.
10. CHOICE OF LAW, VENUE. This MOU shall be construed according to Vermont law, notwithstanding conflicts of law principles. Venue for this MOU shall be proper in Chittenden County, Vermont, notwithstanding any law to the contrary.

11. SIGNATURE. Persons signing for the PARTIES hereby swear and affirm that they are authorized to act on behalf of their respective PARTY. This MOU may be executed in counterparts, each of which shall be deemed an original, and it may be executed electronically, and an electronic copy or other facsimile shall be treated as an original.

IN WITNESS WHEREOF, the PARTIES have executed this Agreement as of the Effective Date.

CITY OF BURLINGTON

**FRIENDS OF FLETCHER FREE
LIBRARY, INC.**

By: _____

Name: _____

Its: _____

By: _____

Name: _____

Its: _____

Board of Finance and City Council Submission Checklist

Version: April 2025

Department: Fletcher Free Library Submitter: Mary Danko

Title/Subject: City of Burlington & Friends of Fletcher Free Library Capital Campaign MOU

Approval Requested:	Meeting Date:
<input checked="" type="checkbox"/> Board of Finance	10/21/2025
<input checked="" type="checkbox"/> City Council	11/3/2025
<input type="checkbox"/> Both BOF and Council	Click or tap to enter a date.

Instructions

1. This form must be completed by the person submitting the materials.
2. This form must be sent with the final submission of materials in advance of the meeting.
3. Do not indicate that a sign-off was received until it has actually been obtained.
4. Commission reports and presentations do not need to be reviewed by the CAO or Attorneys.
5. Name the reviewing Attorney or HR Manager in the Note column.

Signoff Needed	Received?	Approval Date	Note
Department Head	Yes	10/1/2025	Mary Danko
Mayor's Office	Yes	10/2/2025	Chief of Staff Erin Jacobson
Board/Commission	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office for memo and contracts or legal documents	Yes	10/2/2025	CA Sturtevant
City Attorney's Office for memo and motion(s) or resolution(s)	Yes	10/2/2025	CA Sturtevant
CAO for budget, financing, and memo	Yes	10/3/2025	CAO Katherine Schad
Human Resources, if personnel action or policy	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if IT-related	N/A	Click or tap to enter a date.	Click or tap here to enter text.

TO: City of Burlington, Board of Finance
City of Burlington, City Council

FROM: Patrick Leahy Burlington International Airport
Nicolas Longo, Director of Aviation

DATE: October 15, 2025

SUBJECT: Request to execute a ground lease agreement with Beta Technologies

REQUEST

The Patrick Leahy Burlington International Airport ("Leahy BTV") respectfully requests approval and authorization to execute a ground lease agreement with Beta Technologies for the purpose of building hangar space on the airfield.

Background

In 2024, the Airport published a map identifying all available locations (attached) for aeronautical development on the airfield. As part of this process, we received a few requests to build hangars on various locations. Specific to Area 5 labeled on the map, Beta technologies has identified this area and requested to lease from the Airport this parcel to build a hangar to support their mission along with their general aviation fleet. Area 5 is an unimproved lot of land, although it does have some underground infrastructure to support stormwater/underground systems which have been identified within the Beta discussions.

Beta Technologies has been a tenant at Leahy BTV since 2019. During this time, Beta has invested time and resources to improve spaces they occupy at the Airport. Beta is seeking additional hangar space. There are no existing hangars available for lease, so Beta is proposing to lease the ground space identified as Area 5 to build a hangar. Beta Technologies plans to fund and build the hangars and will maintain the space. The adjacent apron will remain available to the public as long as the area is not interfering with egress from the newly proposed hangar.

Lease Terms

The proposed amendment includes the following key terms:

- Effective date: _____, 2025
- Term: 30 years
- Rental Rate: \$0.50/land sf/month for an annual total of \$13,672.50 annually, or \$1,148.49 per month.

MOTIONS:

Airport Commission

Recommend memo as presented

Board of Finance:

“To approve and recommend that the City Council authorize the Mayor of the City of Burlington to execute the lease with Beta Technologies at the Patrick Leahy Burlington International Airport, subject to final review and approval by the City Attorney’s Office, and to take such further actions and execute such further instruments approved as to form by the City Attorney’s Office as may be necessary or convenient to effectuate the transactions contemplated hereby.”

City Council:

“To authorize the Mayor of the City of Burlington to execute the lease with Beta Technologies at the Patrick Leahy Burlington International Airport, subject to final review and approval by the City Attorney’s Office, and to take such further actions and execute such further instruments approved as to form by the City Attorney’s Office as may be necessary or convenient to effectuate the transactions contemplated hereby.”



GROUND LEASE

This Ground Lease (“Agreement” or “Lease”) is dated as of _____, 2025 (the “Effective Date”) and is made by and between **Beta Technologies, Inc.**, a Delaware corporation with a place of business in Burlington, Vermont (the “Tenant”) and the **City of Burlington**, a Vermont municipal corporation located in Chittenden County, Vermont (the “Landlord”) acting by and through Burlington International Airport.

Recitals

A. Landlord owns the real property (the “Property”) operated as the Patrick Leahy Burlington International Airport (the “Airport”) in South Burlington, Vermont, which is more particularly shown on **Exhibit A** attached hereto.

B. Landlord listed a portion of the Property as being available for lease and improvement, and Tenant, the only party who responded to such listing with a proposal to lease and improve such portion of the Property, responded to such listing by letter dated June 23, 2025 (collectively, the “Procurement”).

C. Tenant desires to ground lease a portion of the Property for the purpose of constructing and operating a project, consisting of a ±13,000 sq. ft. hangar containing a small flight training space to support aeronautical services and provide aircraft storage for other Airport tenants and users, together with related site improvements including parking, landscaping, lighting, driveways, walkways, service areas, and utilities (the “Project”), all to be used for commercial aeronautical purposes beneficial to the City, the aviation community, and the general public.

D. The portion of the Property on which the Project is proposed to be constructed is known as “Aeronautical Use Site, Area 5”, consisting of approximately 0.275 acres of land, more or less, and is depicted on **Exhibit B-1** attached hereto and is described on **Exhibit B-2** attached hereto (the “Premises”).
[NTD: Survey to be provided by Beta to more particularly determine the Premises]

In consideration of the mutual covenants and agreements herein set forth, and in reliance on the representations and warranties contained herein, the parties hereby agree as follows:

Section 1. **Premises; Project Milestones; Retained Rights; Condition; Landlord Obligations.**

(a) Premises. Landlord does hereby demise, let, rent and lease unto Tenant, and Tenant hereby hires and rents from Landlord, the Premises together with (i) the appurtenances, rights, privileges and easements in any way now or hereafter appertaining thereto to the extent required for Tenant’s reasonable use of the Premises (as determined by Tenant), (ii) the right, title and interest of Landlord in and to the land lying in the streets, avenues, ways and roads in front of and adjoining the Premises to the extent required for Tenant’s reasonable use of the Premises (as determined by Tenant), and (iii) all existing improvements and equipment on the Premises as of the Commencement Date, all subject to the terms and conditions of this Agreement. In addition, Tenant shall have, and Landlord hereby grants to Tenant the right, to use the apron adjacent to the Premises and connecting to the Airport’s broader airfield (the “Apron”) consistent with applicable regulations of the Federal Aviation Administration (“FAA”) governing the use of federal funds, which require the shared use of the Apron by other Airport users. Notwithstanding anything to the contrary, Landlord shall at all times ensure that Tenant’s aircraft may cross the Apron and/or portions of the Airport adjacent to the Premises to connect, on a continuous and unimpeded basis, the Premises with the taxiways to and within the Airport’s broader airfield. Landlord shall prepare a striping plan for the Apron depicting such connectivity and submit the same to Tenant for Tenant’s review and approval (subject

to Section 44) within forty-five (45) days of the Effective Date.

(b) Project Milestones. Tenant covenants and agrees to adhere to the following Project milestones, in all cases subject to Unavoidable Delay:

- i. Tenant shall submit all applications for Permits required for the Project by [DATE].
- ii. Tenant shall commence construction of the Project on or before the date that is [INSERT] months after the Commencement Date.
- iii. Tenant shall substantially complete construction of the Project on or before the date that is [INSERT] months from and after Tenant's commencement of construction.

(c) Access and Construction. Tenant shall have the non-exclusive right to ingress and egress over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive), as necessary, to provide continuous and unimpeded vehicular and pedestrian access to and from the Premises to and from Williston Road. Landlord shall maintain (including snow removal), repair, replace and restore all such accessways. Tenant shall have the exclusive right and obligation to construct the infrastructure improvements as may be required by the Permits.

(d) Retained Rights. Landlord retains the non-exclusive right to maintain, repair or replace all existing utility lines crossing, on or under the Premises that provide service to the property owned by Landlord adjoining the Premises, provided (i) Landlord shall provide written notice to Tenant of Landlord's intention to undertake such work at least 10 days in advance and afford Tenant the reasonable opportunity to undertake such work on its own, except in the event of an emergency wherein such advance notice cannot reasonably be given (provided that in such event Landlord gives such advance notice as it reasonably can), (ii) Landlord shall exercise its retained rights hereunder in a manner that does not unreasonably interfere with the construction and operation of the Premises or the Project, and (iii) any damage or disturbance to the Premises or the Project caused by or resulting from the exercise of the Landlord's retained rights hereunder shall be repaired or restored at Landlord's sole cost and expense promptly following, and to a condition equal to or better than that existing prior to, such damage or disturbance. In addition, if and to the extent Landlord reasonably determines to require rights on, over, under, upon, across, or through the Premises for Landlord to operate the Airport, including rights of ingress and egress to adjoining lands of Landlord, Tenant will reasonably cooperate with Landlord to provide the same, provided that in all events Tenant's refusal to provide such rights will not be considered unreasonable if the use of such rights by Landlord would unreasonably interfere with Tenant's construction upon and operation of the Premises or the Project. Without limitation and subject in all respect to the foregoing, Landlord shall have the right and obligation to maintain, repair, and replace an existing stormwater management vault to remain on the Premises over which the Project will be constructed. If Landlord's work with respect to such vault requires an interruption in Tenant's use of the Premises for more than three (3) days, then for the duration of such work (i) Rent shall abate, and (ii) Landlord shall provide an alternate location on the Property to which Tenant may, at Landlord's cost, relocate its operations from the Premises for the duration of such work.

(e) Condition of Premises. Tenant acknowledges that it has completed such investigations, testing, analysis and due diligence of and with respect to the Premises and Landlord's title as Tenant has determined to be necessary for Tenant's intended use thereof. Except as expressly provided in this Agreement, Tenant accepts the Premises and such title "as is" and "where is" without any representations, warranties or assurances by Landlord as to the condition of the same or its suitability for any particular purpose, subject only to those exceptions to title set forth on **Schedule 1(d)** hereto, as well as such other exceptions to title and/or encumbrances contemplated by the terms of this Agreement (the "Permitted

Encumbrances”). Landlord expressly disclaims any and all representations and warranties with respect to the suitability of the Premises for Tenant’s intended use or for any other use except as expressly provided in this Agreement.

(f) Landlord Obligations.

- i. Access. Landlord shall ensure reasonable non-exclusive ingress and egress to and from the Premises, for the benefit of Tenant and Tenant’s designees, from the public aircraft runways, taxiways, ramps, the Apron, and private access roads serving the Premises, including through vehicle access gates 12A and B and over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive).
- ii. Landlord Maintenance. Landlord shall maintain (including snow removal), repair, replace and restore the Apron and all other means of ingress and egress to and from the Premises from the public aircraft runways, taxiways, ramps, and private access roads serving the Premises, including through vehicle access gates 12A and B and over Eagle Drive, DaVinci Drive, and Aviation Avenue, together with adjoining portions of the Property (including the extension of Eagle Drive through the parking area adjacent to 15 Eagle Drive).
- iii. Reserved.
- iv. Additional Property Rights. Landlord shall grant to the Tenant such rights and easements as may be necessary to enter upon portions of the Property outside the Premises to facilitate Tenant’s construction of the Project and use of the Premises, in compliance with Applicable Laws and subject to the rights of others, if any, under existing leases of portions of the Property.
- v. Development Encumbrances. If Landlord’s consent or joinder shall be required for the grant of, or for the vacation or abandonment of, any easements, rights of way, covenants, leasehold condominium regimes or other title matters encumbering the Premises in connection with the development of the Project and/or the demolition, construction, renovation, alteration or replacement of any portions of the Project (collectively, “Development Encumbrances”), Landlord’s consent shall be given subject to Section 44, provided that (a) Landlord shall not be required to incur any material expense or liability (and any such expense or liability shall be promptly reimbursed by Tenant to Landlord upon request), and (b) Landlord’s consent shall not be considered unreasonably withheld if the proposed Development Encumbrance is prohibited by Applicable Laws or if the proposed Development Encumbrance would materially impair Landlord’s ownership or use of the Premises upon expiration or earlier termination of this Lease or Landlord’s operation of the Airport. For additional clarity, Development Encumbrances may include construction easements, easements or rights of way for installation of water, gas, steam, electricity, telephone, cable or other communication service, sewer, district energy, chilled or heated water, storm drainage and other utilities, and easements or rights of way for streets, roads, alleys, or other access. Notwithstanding the foregoing, any leasehold condominium regime that affects the Premises shall explicitly provide that the condominium regime shall automatically terminate upon the expiration or earlier termination of this Lease.

Section 2. **Commencement Date; Initial Term; Extension Term.**

(a) Landlord and Tenant agree that the term of this Agreement (“Term”) shall commence upon the Effective Date (the “Commencement Date”) and expire at 11:59 p.m. local time on the day prior to the thirtieth (30th) anniversary of the Commencement Date (the “Fixed Expiration Date”), subject to earlier termination in accordance with the terms set forth in this Agreement. For additional clarity, the Term of the Lease shall be for a period of twenty-nine (29) years, three hundred sixty-four (364) days.

Section 3. **Use of Premises; Design, Permitting and Construction Contract.**

(a) Use. Except as otherwise provided in this Lease, Tenant shall use the Premises for the construction of the Project and for general aviation use and for no other purposes without Landlord’s prior written consent (subject to Section 44). The construction, operation, and maintenance of the Project shall be performed in material compliance with the requirements of this Agreement. Notwithstanding any other provision of this Lease, in all instances the Premises shall only be used in conformance with the Permitted Encumbrances and with the duly adopted federal, state, and municipal ordinances and regulations applicable to the Premises from time to time (“Applicable Laws”). Tenant acknowledges that, as of the Effective Date, the Airport Compliance Manual published by the FAA requires that the Premises shall only be used for “aeronautical activity”, which term is currently defined as “any activity which involves, makes possible, or is required for the operation of an aircraft, or which contributes to or is required for the safety of such operations”.

(b) Design, Permitting and Construction Contract. Landlord’s and Tenant’s obligations with respect to the design, permitting and contracting for construction of the Project are set forth below in this Section 3(b).

(i) Permits. Tenant shall compile the necessary information and diligently file complete applications for all Permits and shall thereafter use good faith efforts to pursue the Permits at Tenant’s sole cost and expense. Tenant shall deliver to Landlord in advance of filing copies of any and all applications for any Permits (with respect to which the term “applications” includes all materials delivered therewith or in support thereof) for the Landlord’s prior approval (subject to Section 44). Landlord shall cooperate with Tenant in Tenant’s efforts to obtain the Permits, including by promptly executing and returning to Tenant all applications therefor prepared by Tenant at its expense, subject to the Landlord’s review and approval rights as provided above. Landlord acknowledges that Tenant has filed applications for multiple Permits prior to the Effective Date of this Agreement and that Landlord has provided all approvals and consents with respect thereto as contemplated in this Section 3(b)(i). Tenant shall use good faith efforts to keep the Landlord apprised of the status of its efforts to obtain the Permits and the status of any related appeal being prosecuted or defended by Tenant. In particular, Tenant shall keep Landlord reasonably apprised of any proposed Permit conditions that would affect the Property outside of the Premises, and Landlord shall have the right, in Landlord’s sole but reasonable discretion, to reject (or to require Tenant not to accept) any such conditions that would materially adversely affect the Property outside of the Premises.

(ii) Approval of Project Design, Plans, and Specifications. Tenant shall provide to

Landlord for Landlord's review (at Landlord's sole cost and expense) and prior written approval (subject to Section 44) all design, plans, and specifications to be included in the Construction Contract (defined below) for the Project including with respect to its physical layout, pedestrian and vehicular traffic circulation and impacts, parking requirements, security features, exterior building appearance, durability of construction materials, durability of structural design, durability of construction finishes, grading and utilities, stormwater improvements, exterior lighting and landscaping (the "Plans and Specifications"). The parties will seek satisfaction of this requirement with respect to the permit-level Plans and Specifications during the period when Tenant is preparing applications for Permits (recognizing, as provided in Section 3(b)(i) that Tenant has already made application for certain Permits with respect to which Landlord has approved all Plans and Specifications), and the parties will seek satisfaction of this requirement with respect to other Permits and with respect to the construction-level Plans and Specifications prior to Tenant entering into the Construction Contract. Notwithstanding the foregoing or anything to the contrary, Landlord's review and right to approve of Plans and Specifications with respect to the Project shall be limited to confirming conformance of the Plans and Specifications with approved Permits and any applicable FAA requirements, reviewing exterior and structural design and materials for durability and aesthetic conformity with the Airport, and reviewing plans related to utilities and stormwater infrastructure for compatibility with the Airport's existing utilities and stormwater infrastructure.

- (iii) Construction Contract. Tenant shall use good faith efforts to negotiate and enter into a construction contract with a reputable contractor (the "Contractor") for the construction of the Project on terms acceptable to Tenant in its sole and absolute discretion (the "Construction Contract"). Any subcontracts that are required to be bonded under the Construction Contract, as may be determined by Tenant in its sole and absolute discretion, shall also name Landlord as a dual obligee. The Construction Contract shall include a guaranteed completion date not longer than twenty-four (24) months after commencement (subject to force majeure events as defined in the Construction Contract).

Section 4. **Construction Period.**

(a) Construction Period. The period during which the Project will be constructed is referred to herein as the "Construction Period". Tenant shall construct the Project during the Construction Period, at its sole cost and expense, in accordance with the Permits and in accordance with the Plans and Specifications for the Project that the City has reviewed and approved under and in accordance with Section 3(b) of this Agreement.

(b) Cooperation. Tenant recognizes that its development and construction activities will impact the operation of the Airport. The parties will consult and cooperate with one another to schedule and conduct development and construction activities to minimize such impacts. During the Construction Period, the Landlord shall reasonably cooperate with Tenant in arranging for Tenant and the Contractor to use portions of the Property outside the Premises for the development and construction of the Project, as follows:

- (i) Landlord shall provide Tenant with temporary and permanent access to utility services for the benefit of the Premises (or allowing the extension of such services as a part of the scope of the work) in a manner reasonably acceptable to Landlord.

Tenant shall separately meter any utility services provided to or used by Tenant, and if the utility service provider does not allow such usage to be separately metered, then Tenant shall submeter such usage and shall reimburse the Landlord for any such usage as indicated by such submeter as Additional Rent in accordance with Section 5(f) herein.

- (ii) Landlord shall provide Tenant with adequate ingress and egress to the Premises for construction equipment and related traffic (including necessary temporary or permanent modification of existing streets, drives or curb cuts) in a manner reasonably acceptable to Landlord. Tenant shall reimburse the Landlord for any out-of-pocket expenses incurred to modify existing streets, drives or curb cuts in accordance with the previous sentence.
- (iii) Tenant shall be solely responsible to secure and manage Tenant's construction site.

(c) Approved Plans and Specifications. No material deviations from the approved Plans and Specifications may be made without the written prior approval of the Landlord (subject to Section 44) and subject to the Landlord's review parameters as set forth in Section 3(b)(ii). Tenant shall notify the Landlord in writing of any such proposed changes in the Plans and Specifications and such changes must have the prior written approval of the Landlord (subject to Section 44) before they may be implemented.

(d) Authorized Representatives. Tenant and the Landlord have designated authorized representatives as set forth more specifically on **Exhibit C**. Either party may change its authorized representative(s) at any time by written notice to the other party without the consent of the other party. One or more authorized representatives shall be available on a daily basis to review, comment upon and render decisions promptly with respect to the construction of the Project. The authorized representatives are authorized to act on the behalf of the parties with respect to the construction of the Project. Except as otherwise specifically provided by this Agreement, any directions, approvals or other authorizations, written or verbal, given by any person other than an authorized representative shall not be binding on a party. One or more authorized representatives from each party shall meet on a weekly basis at mutually agreeable times and locations during the Construction Period.

(e) Construction Inspection. During the Construction Period, Landlord's representative(s) shall have the right to attend jobsite meetings for the purpose of observing the progress of the work. Nothing herein contained shall be construed as an obligation upon the Landlord to inspect the work. If Landlord reasonably determines that construction is not proceeding in substantial and material accordance with the approved Permits and/or applicable FAA requirements, and the Landlord gives prompt notice to Tenant of the particular substantial and material deviation, deficiency, error or omission, the parties shall promptly meet to address reasonable concerns raised in such notice. The Landlord shall not communicate directly with Tenant's Contractor or any of its subcontractors or material suppliers without an authorized representative of Tenant being present.

(f) Professional Certifications. Tenant shall obtain the services of a Vermont licensed engineer and architect, reasonably acceptable to the Landlord, to perform quality control observations, inspections, and testing for the Tenant and to properly document and certify that the completed Project conforms with the approved Plans and Specifications. Tenant shall direct its engineers, architects and other licensed professionals to provide the Landlord with all third-party inspection reports related to the Project at the same time as they are submitted to Tenant or Tenant's representatives or agents. If the Landlord determines it necessary to hire its own third-party inspector(s), it will be at the Landlord's expense and the Landlord's inspector(s) will be allowed to perform testing and take samples as they reasonably deem necessary or desirable.

(g) Construction Completion Deliverables. Upon completion of construction, Tenant shall provide Landlord with the following: (i) a certification from Tenant’s architect that the Project has been constructed in material accordance with the approved Plans and Specifications and with the Permits and approvals issued therefor; (ii) a certification from Tenant’s professional engineer that all grading and utilities, including electrical, communications, natural gas, stormwater, water and sewer, necessary for the Project shall have been completed in material accordance with the approved Plans and Specifications and with the Permits and approvals issued therefor; (iii) evidence reasonably satisfactory to Landlord that all approvals, certificates of occupancy and filings necessary for the Project’s legal use and occupancy shall have been issued by the regulatory authorities with jurisdiction over the Project; (iv) documentation evidencing that all contractors have been paid in full for the Project and that no claims for payment are outstanding; (v) as-built drawings in AutoCAD and PDF formats for the completed Project; and (vi) all additional documentation prepared by Tenant’s engineer and architect with respect to the Project including notes, photographs, reports, quality control testing reports, change orders, and submittals, provided in an electronic format specified by Landlord.

(h) Insurance During Construction Period. Throughout the Construction Period, Tenant shall obtain and maintain the types of insurance required under Section 15 of this Agreement.

Section 5. Rent; Airport Landing Fees.

(a) Base Rent. Commencing on the date that Tenant receives a certificate of occupancy (or its functional equivalent) from the City of South Burlington for the Project (the “Rent Commencement Date”), Tenant shall pay “Base Rent” to Landlord at the address specified in Section 5(g) or at such other location as Landlord may hereafter designate in writing in the amount of \$0.50/land sf/month for an annual total of \$13,672.50 annually, or \$1,148.49 per month.

(b) Annual Increase in Base Rent. The Base Rent shall be adjusted on July 1 of each year during the Term by the percentage increase in the Consumer Price Index for all Cities, all Urban Consumers, Northeast Region, (CPI-U-NE, 1982-84=100) (the “Price Index”) published just prior to July 1 of each such year by the Bureau of Labor Statistics of the United States Department of Labor over the corresponding value so published just prior to July 1 of the prior year during the Term, subject to a minimum increase of 2% and a maximum increase of 6% in any year. If the government body issuing the Price Index ceases to use the 1982-84 average of 100 as the basis of calculation, the Price Index shall be adjusted to mathematically account for the adjustment to the base year. If the Price Index (or a successor or substitute) ceases to be published, Landlord shall have the right subject to Tenant’s approval (subject to Section 44) to select another similar index, published by a governmental or other non-partisan body, with appropriate reconciliation of the base of the substituted index with the base of the Price Index. In addition, Base Rent shall adjust as of every tenth (10th) anniversary of the Rent Commencement Date to the amount of ground rent then charged by the Airport to its other tenants as approved by the FAA, provided that in no event shall the amount of Base Rent increase or decrease by more than twenty percent (20%) over the prior lease year as a result of any such decennial adjustment. There shall be no separate Price Index adjustment for years on which such decennial Base Rent reset is made.

(c) Additional Rent; Rent Defined. In addition, for each lease year Tenant agrees to pay all sums of money or charges of whatsoever nature required to be paid under any provisions of this Agreement by Tenant to Landlord (“Additional Rent”), whether or not the same are designated as additional rent, on the next Base Rent payment date following written notification of such sums or charges in the same manner as Base Rent, provided that if such notification is given fewer than fifteen (15) days prior to the next installment of Base Rent coming due, then such amount of

Additional Rent shall be due on the second next Base Rent payment date following such notification. Base Rent and any Additional Rent or other sums or charges are collectively referred to herein as “Rent.” It is understood and agreed that the Rent to be paid to Landlord by Tenant hereunder shall be absolutely net to Landlord, and that all costs, expenses and obligations of every kind and nature whatsoever relating to the Premises shall be paid by Tenant directly to the party invoicing the same or in the form of Additional Rent, and this Agreement shall be interpreted and construed to that effect.

(d) Rent Payment. Except as otherwise specifically provided in this Agreement, all Base Rent shall be paid in monthly installments in arrears, without demand or setoff, on the first (1st) day of each month throughout the Term and Base Rent for any period of less than a full month shall be prorated on a per diem basis. Except as otherwise expressly provided in this Agreement, any and all Rent and other sums payable under this Agreement shall be paid without notice, demand, counterclaim, set off, deduction, or defense and without abatement, suspension, diminution, or reduction, and the obligations and liabilities of Tenant under this Agreement shall in no way be released, discharged or otherwise affected by reason of any occurrence whatsoever. Payment shall be made at the office of the Director of Aviation, Burlington International Airport, 1200 Airport Drive #1, South Burlington, Vermont 05403. Any Rent which has not been paid when due shall incur interest at the rate of 1.5% per month.

(e) Utilities and Services. Tenant shall, at its sole cost and expense, cause to be furnished and shall pay for all utilities and services necessary or desirable for Tenant’s use of the Premises, including water, sewer, gas, electricity, communications, stormwater, and trash and recycling pick-up and disposal. Tenant covenants to pay the charges for all such utilities and services prior to delinquency and to keep the Premises free and clear of any lien or encumbrance of any kind whatsoever constituting a charge against the Premises arising from the nonpayment or a delinquency in payment for said utilities or services. No trash is allowed to be stored outside unless it is in an approved trash container located in an approved area. If Tenant fails to comply with the requirements of this provision, then Landlord reserves the right to fulfill Tenant’s obligations and all costs incurred by Landlord in connection therewith shall immediately be paid by Tenant to Landlord as Additional Rent.

(f) Aircraft Landing Fees; Other Fees. In addition to Rent due hereunder, Tenant shall pay the following fees as generally applied to Airport users and as generally applied to the applicable type of aircraft:

(i) Aircraft Landing. On or before the 10th day of each month, Tenant shall provide the Airport’s Director of Aviation with a listing of its Aircraft Landings during for the preceding month. “Aircraft Landing” means any aircraft being utilized at the Airport by or on behalf of Tenant in carrying out the business which is authorized by this Agreement (including but not limited to aircraft owned or leased by Tenant, aircraft providing services to Tenant pursuant to contract whether oral or written, and aircraft being parked in or on the Premises).

(ii) Landing Fees. Tenant shall pay Landlord Airport Landing fees at the rate established by Landlord in its sole discretion and applicable to other aircraft landing at the Airport at that same time. Landlord shall issue an initial Airport Landing fee on the Effective Date and provide Tenant written notice seven (7) days in advance if the Airport Landing Fee is changed by Landlord. Tenant shall pay Landlord the then-applicable Aircraft Landing fees on or before the last day of each month based upon the number of Aircraft Landings properly attributable to

Tenant during the preceding month. Such payments shall be paid at the office of the Airport's Director of Aviation without billing.

- (iii) Late Payment of Landing Fees. If Tenant fails to promptly pay due Airport Landing fees on or before their due date, they shall be considered past due and shall incur interest at a rate of 1.5% per month.
- (iv) Records. Tenant shall keep and maintain a complete and accurate set of records of all the Aircraft Landings for the use of Landlord and payment of fees required under this Agreement for three (3) years. Tenant shall make such records available for inspection and copying by Landlord at any and all reasonable hours and times. Landlord shall have the right, at its expense and on reasonable notice, from time to time, but in no event more than once in any 12-month period, to audit the records and other data of the Tenant relating to the provisions and requirements hereof, provided such inspection is made during regular business hours. If Tenant is found to have under-reported Aircraft Landings by five percent or more, then Tenant shall pay the full cost of the audit.
- (v) Other Fees. Tenant shall direct all entities obligated to pay any transient aircraft landing, tie down, parking, and seat charges directly to Landlord or the fixed base operator for Landlord.

Section 6. **Reserved.**

Section 7. **Project; Capital Reserve Account.**

(a) Modifications. During the Term and following completion of construction of the Project, Tenant shall not modify or alter the structural design or exterior appearance of the buildings constructed on the Premises or the related site improvements in a manner that diminishes their quality without prior written approval of Landlord (subject to Section 44 provided that the Deemed Approval provision thereof shall not apply) to ensure the Project's compatibility with the functionality of the Airport, provided that structural modifications required from time to time to support ongoing needs of Tenant shall not require Landlord approval.

(b) Title to the Project. During the Term and until the expiration or earlier termination of this Agreement, title to the Project shall belong solely to Tenant, and Tenant alone shall have the right to operate, manage, repair, replace, maintain and further improve the Premises and the Project subject to the terms and conditions of this Agreement, and to deduct all depreciation on its income tax returns with respect thereto. Landlord hereby waives any right to claim a lien or security interest in Tenant's fixtures and personal property and, to the extent applicable, waives any statutory right of distraint in or to Tenant's fixtures and personal property; the foregoing shall not be construed to limit Landlord's ability to seek, obtain or enforce a judicial lien granted by a court of competent jurisdiction. Tenant shall not damage or remove the Project without Landlord's prior written consent (subject to Section 44 provided that the Deemed Approval provision thereof shall not apply).

(c) Removal of Project on Expiration or Termination. Unless Landlord shall have agreed to extend the Term of this Agreement, Landlord may, at its option, notify Tenant in writing delivered at least thirty-six (36) months prior to the expiration of the Term (or upon shorter notice in connection with the earlier termination of this Agreement) that following the expiration of the Term all or portions of the Project must be removed, in which event Tenant shall remove and/or demolish the applicable portions of the Project, grade the land and then seed it with grass so long as Tenant is able to obtain all municipal and state

permits and approvals necessary in connection with such demolition and removal, subject only to conditions that are reasonably acceptable to Tenant. If Landlord notifies Tenant of its desire to have the Project (or portions thereof) removed and demolished in accordance with this provision, Tenant shall use commercially reasonable, good faith efforts to obtain permits therefor, but in no event shall Tenant be required to appeal any denial of such permits, appeal any conditions that it reasonably deems unacceptable or to defend any appeals made by others in connection with any permits. If Tenant is unable to secure the necessary permits for demolition, Landlord may attempt to secure said permits. Tenant shall have the right to use the funds maintained in the Capital Reserve Account (as defined below) in connection with obtaining the permits required by this provision (i.e., to pay engineers, consultants, attorneys, application fees, etc. in connection with such permits) and thereafter to pay for the work to remove and/or demolish the Project (or portions thereof) and then grade and seed the land as aforesaid. If Tenant is unable to secure such permits and Landlord attempts to secure such permits, then Landlord may use the funds maintained in the Capital Reserve Account for such purposes, and Landlord agrees to use such funds in a prudent and reasonable manner. Following the issuance of all such permits and such permits having become final and unappealable, but in all events after the expiration or earlier termination of this Agreement, Tenant shall promptly remove and/or demolish the Project (or portions thereof) and then grade and seed the land as aforesaid, and shall use commercially reasonable, good faith efforts to complete such work in a timely manner, commencing promptly upon such permits having become final and unappealable (weather permitting) and then diligently prosecuting such work to completion thereafter. Landlord herein grants to Tenant a license to enter the Premises and other portions of the adjacent Property as necessary, said license shall take effect upon the termination or expiration of this Agreement for the sole and exclusive purpose of removing the Project (or portions thereof). Tenant's right to use said license is contingent upon Landlord's notification to Tenant that the Project (or portions thereof) shall be removed from the Premises. If there are insufficient funds in the Capital Reserve Account to permit and complete the removal and/or demolition the Project (or portions thereof) and then grade and seed the land as aforesaid, Tenant shall use its own funds to accomplish the demolition, grading and seeding required by this provision.

(d) Title Upon Expiration. Except as set forth in subsection (c) above, upon expiration or termination of this Agreement all rights and interests of Tenant (and all persons whomsoever claiming by, under or through Tenant) in and to the Premises and the Project shall wholly cease and title to the Premises and the Project, including all permanent and temporary non-proprietary improvements, erections and additions constructed on the Premises by Tenant (but excluding all furniture, proprietary fixtures, equipment and other personal property of Tenant used by Tenant solely in connection with the operation thereof, all of which Tenant shall have the right to remove from the Premises at any time prior to the expiration of the Term) shall automatically vest in Landlord without cost or expense to Landlord and without further act or conveyance, and without liability to make compensation therefor to Tenant or to anyone whatsoever, and shall be free and discharged from all and every lien, encumbrance, claim and charge of any character created or attempted to be created by Tenant at any time other than pursuant to the specific terms of this Agreement. This provision shall not relieve Tenant from liability for having left the Premises in unsound or unsafe condition or with encumbered title, in each event other than as permitted in this Agreement. Tenant, upon the request of Landlord, covenants and agrees to execute a deed and bill of sale conveying and releasing to Landlord all such rights in the Premises and the Project in a form and substance reasonably acceptable to Landlord.

(e) Tenant's Maintenance Obligations. Tenant shall, at all times during the Term, subject to the provisions of this Agreement, at its sole cost and expense, keep the Premises in good appearance, order and repair and in a clean and sanitary condition at all times, including by retaining and engaging pest control services as necessary. Tenant's obligations hereunder include all necessary repairs and replacements of the Premises and its improvements, structural or otherwise, ordinary or extraordinary, foreseen and unforeseen, including, but not limited to, the roof, exterior and interior windows, doors and entrances, signs, floor coverings, columns, and partitions, electrical and lighting, heating, plumbing and sewage facilities, and

HVAC equipment. Such actions include painting, lighting, removal of garbage, landscaping, snow removal, replacement of broken glass with glass the same size and quality of that broken, and utility services. Landlord shall not be required to make any repairs of any kind or nature, in, on or to the Premises during the Term.

(f) Capital Reserve Account. Within thirty (30) days of the Rent Commencement Date, Tenant shall establish a joint reserve account for the replacement and demolition of the Project (“Capital Reserve Account”) in accordance with the following:

- (i) The Capital Reserve Account shall be in the name of Tenant and the Landlord. The parties acknowledge and agree that during any period when a Leasehold Mortgage is in effect the Leasehold Mortgagee is likely to require that it maintain and control the funds maintained in the Capital Reserve Account, and Landlord will agree to authorize the Leasehold Mortgagee to maintain and control the funds maintained in the Capital Reserve Account so long as such funds are used solely for capital replacements and improvements and not used to pay debt service (principal or interest), lender fees or expenses, or to pay any other cost, fee or expense.
- (ii) The Capital Reserve Account shall be funded monthly consistent with the parameters set forth on **Schedule 7(f)** and based on a capital reserve study performed by a mutually acceptable consultant to Tenant, or otherwise in accordance with prudent long term maintenance practices applicable to structures and infrastructure similar to the Project as approved by Landlord (subject to Section 44). Such funds, including interest earned, from this Capital Reserve Account are to be used for major maintenance, repair, and replacement activities and not for minor or ongoing maintenance items. Tenant shall inform the Landlord in advance of its intent to expend funds from the Capital Reserve Account and the purpose of the expenditure, and all expenditures shall be subject to Landlord’s prior review and approval (subject to Section 44) subject to the provisions of Section 7(f)(iii). Balances in the Capital Reserve Account shall be reviewed periodically by Tenant and the Landlord to ascertain whether monthly funding levels are appropriate. Tenant shall provide Landlord with annual account statements reflecting the balances in the Capital Reserve Account no later than June 1 of each year. Provided that the Project is not demolished in accordance with Section 7(c) at the expiration or earlier termination of this Agreement, funds remaining in the Capital Reserve Account shall be used to perform whatever repairs are then necessary to preserve the Project in good quality, habitable condition, and any excess funds remaining thereafter in the Capital Reserve Account shall become the property of Landlord. If the Project is demolished in accordance with Section 7(c) at the expiration or earlier termination of this Agreement, funds remaining in the Capital Reserve Account following performance of the demolition, grading and seeding shall be disbursed to Tenant. If funds from the Capital Reserve Account are used in connection with the repair or restoration of the Project following casualty damage in accordance with Section 16, then after substantial completion of such repair or restoration Tenant shall engage a consultant to perform a new life cycle analysis of the Project, and Tenant shall thereafter fund the Capital Reserve Account monthly in accordance with such life cycle analysis, including any requirements in such analysis to bring the current funding to a particular level.
- (iii) Notwithstanding the provisions of Section 7(f)(ii), the funds deposited in the

Capital Reserve Account during the last five (5) years of the Term shall accumulate and shall not be spent until the Landlord determines whether the Project will be demolished in accordance with Section 7(c) at the expiration of the Term. If Landlord decides that the Project will be demolished, then the Capital Reserve Account shall be used to accomplish the demolition, grading and seeding described in Section 7(c) and any funds remaining after the performance of such work shall be disbursed to Tenant in accordance with Section 7(f)(ii). If Landlord decides to have the Project demolished and removed but the parties are unable to obtain permits therefor, then the funds held in the Capital Reserve Account shall be disbursed to Landlord in accordance with Section 7(f)(ii) as if Landlord decided not to demolish the Project. Tenant shall be solely responsible for all costs and expenses associated with demolition, grading and seeding, however Tenant may use funds from the Capital Reserve Account to perform the work before resorting to the use of its own funds. If Landlord does not opt to have the Project demolished and removed in accordance with Section 7(c), then the funds held in the Capital Reserve Account shall continue to be used for major maintenance, repair, and replacement activities in accordance with Section 7(g)(ii) and any funds remaining in the Capital Reserve Account at the expiration of the Term, including any extensions or renewals thereof, or earlier termination of this Agreement shall become the property of Landlord.

Section 8. **Taxes and Other Expenses.**

(a) **Taxes.** Tenant is responsible for payment of all transfer taxes associated with this Agreement, if any, and shall pay all income taxes, sales and use taxes, and any other taxes imposed on Tenant in connection with or by reason of its lease of the Premises and its ownership and operation of the Project. In addition, Tenant shall, from and after the Rent Commencement Date and thereafter during the Term, pay and discharge punctually, as and when the same shall become due and payable as Additional Rent, all real estate taxes or ad valorem taxes as assessed by any government then entitled to do so, special and general assessments and other governmental impositions and charges, extraordinary as well as ordinary, including any state, regional or local taxes, fees or payments that may be imposed in lieu of such real estate or ad valorem taxes or assessments (collectively hereinafter referred to as "**Taxes**"), and each and every installment thereof which shall or may during the Term be charged, levied, laid, assessed, imposed, become due and payable, or a lien upon, or for, or with respect to, the Premises or any part thereof, together with all interest and penalties thereon, under or by virtue of all present or future laws, ordinances, requirements, orders, directives, rules or regulations of the federal, state, county and municipal governments and of all other governmental authorities whatsoever (all of which shall also be included in the term "**Taxes**" as heretofore defined). For the period between the Effective Date and the Rent Commencement Date, Landlord and Tenant shall each pay one-half of the Taxes. Landlord shall deliver to Tenant an invoice detailing Tenant's share of Taxes, calculated with reference to the assessed value of the land and improvements that comprise the Premises as determined by the City of South Burlington or any additional or successor taxing authority.

(b) **Time For Payment.** Tenant shall be deemed to have complied with the covenants of this Section 8 if payment of such Taxes shall have been made either within any period allowed by law or by the governmental authority imposing the same during which payment is permitted without penalty or interest or before the same shall become delinquent, and Tenant shall produce and exhibit to Landlord satisfactory evidence of such payment as and when so requested by Landlord.

(c) **Right To Contest.** Tenant or its designee shall have the right to contest or review all Taxes by legal proceedings, or in such other manner as it may deem suitable (which, if instituted, Tenant or its

designees shall conduct promptly at its own cost and expense, and, if necessary, in the name of and with the cooperation of Landlord and Landlord shall execute all documents reasonably necessary to accomplish the foregoing). Notwithstanding the foregoing, Tenant shall promptly bond off or otherwise cause the removal of any lien which is placed on the Premises as a result of or arising out of such dispute and Tenant shall promptly pay all Taxes prior to commencement of any foreclosure, tax sale or other forfeiture proceeding, the result of which would be loss of title to the Premises to the taxing authority. The legal proceedings referred to in this Subsection 8(c) shall include appropriate certiorari proceedings and appeals from orders therein and appeals from any judgments, decrees or orders. If there is any reduction, cancellation or discharge, Tenant shall pay the amount finally levied or assessed against the Premises or adjudicated to be due and payable on any such contested Taxes.

(d) Refunds. Landlord covenants and agrees that if there shall be any refunds or rebates on account of the Taxes paid by Tenant under the provisions of this Agreement, such refund or rebate shall belong to Tenant. Landlord will, upon the written request of Tenant, sign such receipts as may be necessary to secure the payment of any such refund or rebate, and will pay over to Tenant such refund or rebate as received by Landlord.

(e) Remedies for Nonpayment. If Tenant shall fail, refuse or neglect to make any of the payments required by this Section, then Landlord, at its option, may pay the same or any portion thereof, and the amount or amounts so paid, including reasonable attorneys' fees and expenses incurred by Landlord in connection therewith, shall be repaid by Tenant to Landlord within ten (10) days after written demand by Landlord, and the amount thereof shall be treated as Additional Rent.

Section 9. **Requirements of Governmental Authorities.**

(a) Compliance. During the Term, Tenant shall, at its own cost and expense, promptly observe and comply with all present or future, foreseen or unforeseen, laws, ordinances, requirements, orders, directives, rules and regulations duly adopted by applicable federal, state, county, and municipal governments and of all other governmental authorities affecting the Premises or appurtenances thereto or any part thereof whether the same are in force at the Effective Date or may in the future be passed, enacted or directed giving full effect to all vesting or "grandfathering" provisions. Tenant shall further so comply with each and every duly adopted rule, order and requirement of any applicable federal, state, municipal, legislative, executive, judicial or other governmental body, commissioner or officer or of any bureau or department thereof, whether now existing or hereafter created, having jurisdiction over the Premises or any part thereof, or properly exercising any power relative thereto or to the owners, tenants or occupants thereof including compliance with all regulations and permits for the Project giving full effect to all vesting or "grandfathering" provisions. Tenant shall maintain the Project and the Premises, and otherwise operate the Project and the Premises, in conformity with all municipal, state and federal land use permits and approvals governing the Project or the Premises at any time giving full effect to all vesting or "grandfathering" provisions.

(b) Minimum Standards for Commercial Aeronautical Activities. Tenant's right of access to the Property for aircraft shall be subject to all applicable federal, state and local laws, ordinances and regulations, as well as all Airport standards, rules and policies including Minimum Standards for Commercial Aeronautical Activities now in effect or hereinafter duly adopted or promulgated and consistently applied by the Airport.

(c) FAA and TSA. This Agreement is subject and subordinate to FAA regulations duly adopted and consistently applied governing the use of Airport including those regulations imposed by reason of the Landlord's acceptance of federal funds relative to the operation or maintenance of the Airport, the transfer of federal rights, funds or property to Landlord for Airport purposes, or the expenditure of

federal funds for the improvement or development of the Airport. In addition, this Agreement may be amended without further consideration (except as provided below) if and to the extent required by the FAA or Transportation Safety Administration (“TSA”) or their respective successor agencies as a condition precedent to Landlord’s receipt of federal rights, funds or property for Airport purposes, or precedent to the expenditure of federal funds for the improvement or development of the Airport. If the FAA requires modifications or changes to this Agreement as a condition precedent to Landlord’s receipt or retention of funds for the improvement of the Airport, Tenant agrees to execute and deliver to Landlord an amendment to this Agreement (prepared by Landlord) that effects such modifications or changes as may be required to enable the Landlord to obtain or retain such funds or funding. If any such amendment as described in this Section 9(c) modifies the terms and conditions of this Agreement in a manner that causes the Tenant to directly incur costs, expenses or fees that materially modify the financial bargain embodied by this Agreement or otherwise materially adversely affects Tenant’s use of the Premises or other rights under this Agreement, then the parties shall use good faith efforts to cooperatively seek to obtain exemptions or exclusions from the FAA or TSA requirements in an effort to eliminate or minimize the costs or expenses or other material adverse effects arising from the amendment sought to be imposed and, if such exemptions or exclusions are not forthcoming, to modify the terms of this Agreement in order to eliminate, minimize or otherwise fairly account for such costs or expenses or other material adverse effects. Without limiting the foregoing, the Tenant agrees that it is subject to the terms and provisions of the required federal provisions included on **Exhibit E** attached hereto, with the understanding that the Tenant is the “Contractor” identified therein.

(d) Livable Wage Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Livable Wage Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance on an annual basis (due by April 1st of each year) if requested by Landlord.

(e) Union Deterrence Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Union Deterrence Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance if requested by Landlord.

(f) Non-Outsourcing Ordinance. Tenant shall construct and operate the Project and the Premises in accordance with the requirements of the City of Burlington Outsourcing Ordinance to the extent such requirements are applicable to such activities and shall provide the required certification attesting to compliance with this ordinance if requested by Landlord.

(g) No Discrimination. Tenant, for itself and its personal representatives, successors and assigns, as part of the consideration hereof, does hereby covenant and agree that (i) no person on the grounds of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, genetic information or other protected classification shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Tenant’s facilities pursuant to its operations hereunder; (ii) in the furnishing of services at the Project and the Premises, no person on the grounds of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, genetic information or other protected classification shall be excluded from participation in, denied the benefit of, or otherwise be subjected to discrimination; (iii) Tenant shall ensure compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 as amended, Executive Order 11246 as amended by Executive Order 11375 and as supplemented by the Department of Labor regulations (41 CFR Part 60); (iv) Tenant shall also comply with the rules, regulations and relevant orders of the Secretary of Labor, Nondiscrimination regulations 49 C.F.R. § 21 through Appendix C, and Regulations under 23 C.F.R.

§ 710.405(b); (v) Tenant shall comply with all the requirements of Title 21, V.S.A., Chapter 5, Subchapter 6 and 7, relating to fair employment practices to the extent applicable; and (vi) all subcontracts shall include reference to the above.

(h) Public Records Act. Any and all records submitted to Landlord, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of Landlord. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified, as shall all other records considered to be exempt under the Act. It is not sufficient to merely state generally that the proposal is proprietary or a trade secret or is otherwise exempt. Particular records, pages or sections that are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

(i) Right to Contest. Tenant shall have the right to contest by appropriate legal proceedings diligently conducted in good faith, in the name of Tenant, without cost or expense to Landlord, the validity or application of any law, ordinance, rule, regulation or requirement of the nature referred to in this Section 9 and, if by the terms of any such law, ordinance, order, rule, regulation or requirement, compliance therewith may legally be delayed pending the prosecution of any such proceeding, Tenant may delay such compliance therewith until the final determination of such proceeding. Notwithstanding the foregoing, Tenant shall promptly bond off or otherwise cause the removal of any lien which is placed on the Premises as a result of or arising out of such dispute, provided that in no event shall Tenant be permitted or authorized to maintain any such contest if doing so has or would have an adverse effect on the Airport as determined by Landlord in its discretion.

(j) Aircraft Parking. Tenant shall abide by all Airport rules concerning parking of aircraft. Tenant shall not park or allow any contract carrier to park an aircraft or leave or allow the same to be left standing on a public landing area, public ramp and apron area, public cargo ramp and apron area, public aircraft parking and storage area, or operational area, except as such places as may be prescribed or permitted by the Airport's Director of Aviation. Tenant further covenants and agrees to move or cause to be moved such aircraft from the place where it is parked or stored to any other place as designated and directed by the Airport's Director of Aviation. At no time will Tenant occupy or enter any portion of existing or future Air Carrier Apron as defined by TSA and FAA regulations.

(k) Security. Tenant shall secure the Premises with construction fencing prior to performing any work on the Premises during the Construction Period and shall maintain the safety and security of the Premises during the Term of this Agreement. Tenant shall observe and comply with any and all present and future security regulations and procedures and operational procedures promulgated from time to time by or at the direction of the Landlord for the administration of the Airport, including but not limited to training and Secure Identification Area ("SIDA") Badging requirements. Tenant shall create a security policy covering the Premises that will include, but not be limited to, security procedures, configurations, infrastructure and equipment, provision of emergency alerts and notices to Landlord, reporting guidelines, maintenance of security footage and records, staffing of security personnel, and training of personnel. Tenant shall be responsible for following this policy. The Landlord shall review the proposed security policy and any subsequent revisions and, at the Landlord's sole but reasonable discretion, may either approve or require changes. Tenant shall, at its sole cost and expense, install, maintain and replace as necessary all equipment necessary for SIDA compliance, including but not limited to badge readers, locks, alarms, doors and cameras. Any alterations to existing security configurations, SIDA boundaries, infrastructure, and equipment will require the Landlord's prior written consent (subject to Section 44). Landlord shall reasonably cooperate with Tenant to minimize interference with Tenant's business operations, including the installation of SIDA equipment in additional locations as is reasonably determined

by Tenant to promote efficient circulation within the Premises.

Section 10. **Covenant Against Liens.** If during the Term, including during the Construction Period, any mechanic's lien or other lien shall be filed against the Premises or any portion of the Property because of any work performed upon the Premises by or at the expense of Tenant, or any failure of Tenant to pay Taxes in accordance with this Agreement, Tenant shall, at its own cost and expense, cause the same to be discharged of record or bonded within twenty (20) days after the recording thereof; and Tenant shall indemnify and save harmless Landlord against and from all costs, liabilities, suits, penalties, claims and demands, including reasonable attorneys' fees, resulting therefrom. If Tenant fails to timely discharge any such lien by payment or bond, Landlord may (but shall not be obliged to) pay the amount of such lien, or discharge the same by bonding, and the amount so paid shall be deemed to be Additional Rent.

Section 11. **Access to Premises.** During the Term, Landlord or Landlord's agents shall have the right to inspect the Project and the Premises at reasonable times upon reasonable advance notice to Tenant, given no more than twice in any consecutive 12 month period (except in the event of an emergency).

Section 12. **Assignment and Subletting.**

(a) Prior to substantial completion of the Project, neither this Lease nor any interest of Tenant in this Lease, shall be sold, assigned, or otherwise transferred, whether by operation of law or otherwise (each, a "Transfer"), nor shall Tenant sublet the Premises as an entirety or substantially as an entirety, without the prior written consent of Landlord in each instance. Landlord may withhold such consent in its sole but reasonable discretion.

(b) Following substantial completion of the Project, Tenant may, from time to time, effectuate a Transfer to any person, subject to Landlord's prior written consent (subject to Section 44), provided that in the instrument effecting the Transfer, the transferee shall assume and agree to perform all of the terms, covenants and conditions of this Lease from and after the date of the Transfer, including the terms and conditions of this Lease related to the use of the Premises, subject in all respects to the exceptions and limitations set forth in this Lease. Tenant shall give Landlord sixty (60) days prior written notice of its desire to assign this Agreement and shall furnish Landlord with such information as it may reasonably request indicating that the proposed assignee is reputable and financially responsible. Landlord may justifiably refuse consent to any assignment based upon (i) the financial position of the proposed assignee; (ii) the relevant business experience of the proposed assignee; (iii) the proposed use of the Premises (if different that the permitted uses under this Agreement); (iv) the character and reputation of the proposed assignee; (v) the economic terms of the proposed assignment; and (vi) any other factor that Landlord reasonably deems relevant to the proposed assignment. Tenant agrees to reimburse Landlord for any reasonable third party expenses that may be incurred by Landlord in connection with any proposed assignment, including the reasonable cost of investigating the acceptability of the proposed assignee and reasonable third party legal expenses incurred in connection with the granting of any requested consent.

(c) Notwithstanding anything to the contrary, Landlord's consent shall not be required and Section 12(b) shall not apply with respect to any Transfer (i) by the foreclosure of any Leasehold Mortgage or through a deed or instrument of transfer delivered in lieu of such foreclosure or through a deed or instrument of transfer by a Leasehold Mortgagee out of foreclosure or next after having received a deed or other instrument of transfer delivered in lieu thereof, (ii) to a direct or indirect Affiliate of Tenant so long as the ultimate parent company, currently Beta Technologies, Inc., a Delaware corporation, remains liable for the obligations of the tenant under this Lease, or (iii) in connection with a Permitted Sale-Leaseback (as set forth in Section 13(m)). As used in this Agreement, "Affiliate" means a person or entity that Controls, is Controlled by, or is under common Control with another person or entity, and "Control" or "Controlled" means ownership of more than fifty percent (50%) of the outstanding voting stock of a corporation, or other

majority equity and control interest of an entity which is not a corporation, or the possession of power to direct or cause the direction of the management and policy of such corporation or other entity, whether through the ownership of voting securities, by statute or according to the provisions of a contract.

(d) Except for a Transfer to an Affiliate pursuant to which the parent company will remain liable for the obligations of the tenant under this Lease as stated in Section 12(c), from and after a Transfer by Tenant of its interest in the Premises and this Lease that is permitted pursuant to this Section 12, the Tenant (meaning, the transferor) shall have no obligation for liabilities under this Lease first arising from and after the date of such Transfer, provided that in the instrument effecting the Transfer, the transferee shall assume and agree to perform all of the terms, covenants and conditions of this Lease from and after the date of the Transfer.

(e) Except as expressly set forth in Section 12(a), Tenant may, without Landlord's consent, enter into subleases, licenses, occupancy agreements or management agreements for the possession, operation or use of any space in the Project and any amendments thereto (collectively, "Subleases") with any person in Tenant's sole discretion; provided, however, Tenant shall not enter into any Sublease of the Project (exclusive of Subleases with Affiliates) which, when combined with any other then pending Sublease of the Project (exclusive of Subleases with Affiliates), exceeds fifty percent (50%) of the occupiable area of the Project, without Landlord's prior written consent (subject to Section 44). Whether Landlord's consent to a Sublease is required or not, Tenant shall provide Landlord with a copy of each and every Sublease that Tenant enters into for space in the Project. When Tenant seeks Landlord's consent to any Sublease of the Project, Tenant shall provide Landlord with a written list of all then pending Subleases in the Project and Tenant's calculation of the occupiable area covered by such Subleases, as well as the total occupiable area of the Project. Notwithstanding anything to the contrary, Landlord's consent shall not be required and this Section 12(e) shall not apply with respect to any Sublease (i) by the foreclosure of any Leasehold Mortgage or through a deed or instrument of transfer delivered in lieu of such foreclosure or through a deed or instrument of transfer by a Leasehold Mortgagee out of foreclosure or next after having received a deed or other instrument of transfer delivered in lieu thereof, (ii) to a direct or indirect Affiliate of Tenant so long as the ultimate parent company, currently Beta Technologies, Inc., a Delaware corporation, remains liable for the obligations of the tenant under this Lease, or (iii) in connection with a Permitted Sale-Leaseback (as set forth in Section 13(m)).

(f) Except as set forth above in this Section 12, any transfer, assignment or subletting without the prior written consent of Landlord as provided above shall be void *ab initio*. Landlord's consent to a transfer, assignment or subletting, or to any use or occupancy by a party other than Tenant, shall not invalidate or constitute a waiver of this provision, and each subsequent transfer or assignment, and each subsequent use and occupancy by a party other than Tenant shall likewise be made only with the prior written consent of Landlord.

Section 13. **Leasehold Mortgage / Sale-Leaseback.**

(a) Tenant shall have the right to mortgage or pledge its interest in this Lease (a "Leasehold Mortgage") to one or more mortgagees (a "Leasehold Mortgagee") at any time and from time to time. The term "Leasehold Mortgage" as used in this Agreement shall include a mortgage, a deed of trust, a deed to secure debt and any other conveyance or agreement for security purposes, which may now or hereafter affect the Premises. The term "Leasehold Mortgagee" as used in this Agreement shall include the holder of (including any nominee or administrator) or the beneficiary under, as the case may be, a mortgage, deed of trust, deed to secure debt or any other conveyance or agreement for security purposes, which may now or hereafter affect the Premises.

(b) Tenant or the Leasehold Mortgagee shall give to Landlord written notice of the making of

any Leasehold Mortgage (which notice shall contain the name and office address of the Leasehold Mortgagee) within ten (10) days after the execution and delivery of such Leasehold Mortgage and a duplicate original or certified copy thereof.

(c) Landlord shall give to each Leasehold Mortgagee, at the address of such Leasehold Mortgagee set forth in the notice from such Leasehold Mortgagee or from Tenant, and otherwise in the manner provided by Section 25, a copy of each notice given by Landlord to Tenant hereunder (including notice of an Event of Default) at the same time as and whenever any such notice shall thereafter be given by Landlord to Tenant, and no such notice by Landlord shall be deemed to have been duly given to Tenant (and no grace or cure period shall be deemed to have commenced) unless and until a copy thereof shall have been given to each such Leasehold Mortgagee. The Leasehold Mortgagee (i) shall thereupon have a period of thirty (30) days more in the case of an Event of Default in the payment of Rent and sixty (60) days more in the case of any other Event of Default (or in the case of a non-monetary Event of Default which shall require more than sixty (60) days to cure using due diligence, then such longer period of time as shall be necessary so long as such Leasehold Mortgagee shall have commenced to cure (or caused to be commenced such cure) within such 60-day period and continuously prosecutes or causes to be prosecuted the same to completion with reasonable diligence and continuity), after the applicable period afforded Tenant for remedying the Event of Default or causing the same to be remedied has expired and (ii) shall, within such period and otherwise as herein provided, have the right (but not the obligation) to remedy such Event of Default or cause the same to be remedied. Landlord shall accept performance by or on behalf of the Leasehold Mortgagee of any covenant, condition or agreement on Tenant's part to be performed hereunder with the same force and effect as though performed by Tenant, so long as such performance is made in accordance with the terms and provisions of this Lease. Landlord shall not object to any temporary entry onto the Premises by or on behalf of the Leasehold Mortgagee to the extent necessary to effect such Leasehold Mortgagee's cure rights, provided such entry is in compliance with Applicable Law. Notwithstanding anything to the contrary, the Leasehold Mortgagee shall have no obligation to cure an Event of Default except as expressly provided in this Lease.

(d) A non-monetary default by Tenant or a non-monetary Event of Default shall not be deemed to exist as long as the Leasehold Mortgagee, in good faith, (i) shall have commenced to cure (or caused to be commenced such cure) the default or Event of Default within the time periods provided in Section 13(c), and continuously prosecutes or causes to be prosecuted the same to completion with reasonable diligence and continuity (subject to Unavoidable Delays), or (ii) if possession of the Premises or any part thereof is required in order to cure such default or Event of Default, shall have notified Landlord within thirty (30) days after the applicable period afforded to Tenant for remedying the default or Event of Default shall have expired of its intention to institute foreclosure proceedings to obtain possession directly or through a receiver, and thereafter commences such foreclosure proceedings, prosecutes such proceedings with all reasonable diligence and continuity (subject to Unavoidable Delays) and, upon obtaining such possession, commences promptly to cure the default or Event of Default and prosecutes the same to completion with all reasonable diligence and continuity (subject to Unavoidable Delays).

(e) Notwithstanding anything in this Section 13 to the contrary, a Leasehold Mortgagee shall not be required to cure any Incurable Defaults of Tenant, and if any Leasehold Mortgagee, assignee or transferee shall acquire the Premises pursuant to a foreclosure or transfer in lieu of foreclosure, then any such Incurable Default by Tenant shall no longer be deemed a default or Event of Default. For purposes of this Agreement, "Incurable Default" shall mean (i) any Event of Default described in Section 21(a)(iv) or Section 21(a)(v), (ii) any Event of Default that is personal in nature to the Tenant, and (iii) any Event of Default that is based upon Tenant's wrongful assignment of this Lease or any interest therein (other than a wrongful assignment to such Leasehold Mortgagee).

(f) With respect to any default or Event of Default, so long as the Leasehold Mortgagee shall

be diligently exercising its cure rights under this Section 13 with respect thereto within the applicable cure periods set forth above and so long as, if possession of the Premises is required to cure the same, the Leasehold Mortgagee shall be taking the actions required by Section 13(d), Landlord shall not (i) re-enter the Premises, (ii) serve a termination notice, or (iii) bring a proceeding on account of such default to (A) dispossess Tenant and/or other occupants of the Premises, (B) re-enter the Premises, or (C) terminate this Lease or the leasehold estate (such rights described in clauses (i), (ii) and (iii) being herein "Landlord's Termination Rights"). Upon any cessation of the Leasehold Mortgagee so exercising such rights and undertaking such activities, Landlord may exercise any of Landlord's Termination Rights hereunder. Nothing in the protections to Leasehold Mortgagees provided in this Lease shall, however, be construed to either (i) extend the Term beyond the expiration date provided for in this Lease that would have applied if no default had occurred or (ii) require such Leasehold Mortgagee to cure any non-monetary default by Tenant that is not capable of being cured as a condition to preserving this Lease or, in the case of a Leasehold Mortgagee only, to obtaining a New Lease as provided in this Section 13.

(g) The exercise of any rights or remedies of a Leasehold Mortgagee, including the consummation of any foreclosure or transfer in lieu of foreclosure, shall not constitute a default under this Lease. A Leasehold Mortgagee shall provide Landlord with prior written notice of its commencement of any foreclosure or of its commencement of any efforts to cause a transfer in lieu of foreclosure.

(h) No Leasehold Mortgagee shall become liable under the provisions of this Lease unless and until such time as it becomes, and then only for so long as it remains, the owner of the leasehold estate created hereby and no performance by or on behalf of such Leasehold Mortgagee of Tenant's obligations hereunder shall cause such Leasehold Mortgagee to be deemed to be a "mortgagee in possession" unless and until such Leasehold Mortgagee shall take control or possession of the Premises.

(i) New Lease.

(i) In the event of the termination of this Lease as a result of an Event of Default by Tenant, prior to the expiration of the Term, whether by summary proceedings to dispossess, service of notice to terminate, or otherwise, or as a result of any bankruptcy, insolvency or similar proceedings, Landlord shall serve upon each Leasehold Mortgagee who is entitled to notice, written notice of such termination promptly following same, together with a statement of any and all sums which would at that time be due under this Lease but for such termination, and of all other defaults, if any, under this Lease then known to Landlord. Subject to Section 13(i)(iv) below, the Leasehold Mortgagee shall thereupon have the option to obtain a new lease in accordance with and upon the following terms and conditions, and otherwise upon the same terms and conditions and in the same form as this Lease (including a term that expires on the same expiration date as this Lease) (a "New Lease"):

i. Upon the written request of such Leasehold Mortgagee, served upon Landlord in accordance with Section 25, within forty-five (45) business days after service upon the Leasehold Mortgagee of the aforementioned notice of termination, Landlord shall enter into a New Lease of the Premises with the Leasehold Mortgagee or any designee of the Leasehold Mortgagee (such Leasehold Mortgagee or such designee, the "New Tenant").

ii. The New Lease shall be effective as of the date of termination of this Lease and shall be for the remainder of the Term and at the Base Rent and upon

all the agreements, terms, covenants and conditions hereof, it being acknowledged that the New Lease is effectively a reinstatement of this Lease (but with the New Tenant). Upon and as a condition to Landlord's execution of such New Lease, the New Tenant shall pay any and all sums which would at the time of the execution thereof be due under this Lease but for its termination, as aforesaid, and shall commence to remedy any non-monetary defaults (other than Incurable Defaults) under this Lease (and the New Lease shall require the New Tenant to diligently continue to remedy such non-monetary defaults until cured). Landlord shall have no obligation to deliver physical possession of the Premises in connection with the giving of any such New Lease to the extent that Landlord shall not previously have recovered possession of same.

- iii. Nothing herein contained shall release Tenant from any of its obligations under this Lease which shall not have been discharged or fully performed by Tenant or by such Leasehold Mortgagee.
- (ii) As between Landlord and such New Tenant, any such New Lease and the leasehold estate thereby created, subject to the same conditions contained in this Lease, shall continue to maintain the same priority as this Lease with regard to any mortgage or any other lien, charge or encumbrance whether or not the same shall then be in existence.
- (iii) Upon the execution and delivery of a New Lease under this Section 13(i), all subleases which theretofore may have been assigned to Landlord thereupon shall be assigned and transferred, without recourse, by Landlord to the New Tenant. Between the date of termination of this Lease and the date of execution and delivery of the New Lease, if a Leasehold Mortgagee shall have requested such New Lease, Landlord shall not enter into any new subleases, cancel or modify in any material respect any then-existing subleases or accept any cancellation, termination or surrender thereof (unless such termination shall be effected as a matter of law on the termination of this Lease) without the written consent of the Leasehold Mortgagee, not to be unreasonably withheld or delayed, except as permitted in the subleases.
- (iv) Any rejection of this Lease by any trustee of Tenant in any bankruptcy, reorganization, arrangement or similar proceeding which would otherwise cause this Lease to terminate, shall, without any action or consent by Landlord, Tenant or any Leasehold Mortgagee, effect the transfer of Tenant's interest hereunder to the Leasehold Mortgagee or its nominee or designee. Such Leasehold Mortgagee may reject the transfer of this Lease upon such transfer upon giving notice thereof to Landlord no later than thirty (30) days after notice from Landlord of such transfer. Such Leasehold Mortgagee shall thereupon have no further rights or obligations hereunder. Alternatively, the Leasehold Mortgagee may, during such 30-day period, request a New Lease in accordance with the provisions of this Section 13(i). In the event that the Leasehold Mortgagee shall fail either to timely effect the transfer of this Lease or timely request a New Lease, then this Lease shall be deemed terminated and no Leasehold Mortgagee shall have any further rights under this Lease.
- (j) Additional Leasehold Mortgagee Protective Clauses. In addition to the other rights, notices

and cure periods afforded to the holders of any Leasehold Mortgage, Landlord further agrees that:

- (i) without the prior written consent of the Leasehold Mortgagee, Landlord will neither agree to any material modification or amendment of this Lease, including any modification or amendment that increases Tenant's obligations or reduces Tenant's rights under this Lease, nor accept a surrender or cancellation of this Lease;
- (ii) Landlord shall execute any modification to the Lease and enter into recognition agreements (in form and substance reasonably acceptable to Landlord, at the cost and expense of the party making the request) as reasonably requested by a Leasehold Mortgagee as a condition to making a loan to Tenant, provided that the same does not materially increase Landlord's obligations or materially diminish Landlord's rights hereunder;
- (iii) the Leasehold Mortgagee shall have the right to participate in the adjustments of any insurance claims of the nature set forth in Article 16 and condemnation awards of the nature set forth in Article 17; and
- (iv) within fifteen (15) business days following the written request of Tenant from time to time, Landlord shall execute and deliver an instrument addressed to the holder of any Leasehold Mortgage confirming that such holder is a Leasehold Mortgagee and entitled to the benefit of all provisions contained in the Lease which are expressly stated to be for the benefit of Leasehold Mortgagees.

(k) No merger of fee title with the leasehold interest under any circumstances (whether voluntary or involuntary or effected by the Landlord or the Tenant) will result in the termination of this Agreement or an extinguishment of any Leasehold Mortgage.

(l) Notwithstanding any other term or provision of this Lease to the contrary, Landlord's interest in this Lease and in the Premises shall not be subject or subordinate to any Leasehold Mortgage now or hereafter placed upon Tenant's interest in this Lease, the leasehold interest created hereby, or upon any interest in Tenant.

(m) Sale-Leaseback. Upon or following substantial completion of the Project, Tenant may, with Director of Aviation's prior written consent, to Transfer, in whole or in part, Tenant's interest in this Lease and/or the Project in a transaction through which Beta Technologies, Inc. or its Affiliate (the "Beta Sublessee") simultaneously enters into, and thereafter remains the subtenant under, a Sublease for the entirety of the property interest subject to such Transfer (the "Beta Sublease", and together with such Transfer, a "Sale-Leaseback"). Notwithstanding anything to the contrary, the City shall have the same rights, subject to the same exceptions, to review and approve any Transfer of the Beta Sublessee's interest in the Beta Sublease that the City holds with respect to a Transfer of this Lease pursuant to Section 12. Following any such approval by the Director of Aviation, Landlord shall execute any modification to the Lease and enter into recognition agreements (in form and substance reasonably acceptable to Landlord, at the cost and expense of the party making the request) as reasonably requested in connection with a Sale-Leaseback, provided that the same does not materially increase Landlord's obligations or materially diminish Landlord's rights hereunder.

Section 14. Signs. Tenant has the right to place, install or maintain upon the Premises any sign, symbol, advertisement or similar device which is intended to be visible to public view from outside the Premises so long as Tenant first obtains, at its sole expense, all necessary governmental permits and

approvals therefor and Landlord's prior written consent (subject to Section 44).

Section 15. **Indemnity and Insurance.** [NTD: Beta to confirm with risk management]

(a) Tenant shall, from and after the Effective Date, defend, indemnify and hold harmless Landlord, its officers and employees, from and against all loss, liability, damages, claims, proceedings, costs (including costs of defense and reasonable attorneys' and professionals' fees incurred in defense or incurred in enforcement of this indemnity), expenses, demands, suits and causes of action (all of the foregoing collectively referred to as "Liabilities") arising out of or in connection with (i) damage to property or death or injury to any person sustained on or about the Premises, or arising (directly or indirectly) out of or in connection with Tenant's possession, use, occupation or control of the Premises, (ii) damage to any property or death or injury to any person anywhere occasioned, or claimed to have been occasioned, by any willful misconduct or any negligent act or omission of Tenant, its agents, employees, licensees or contractors and (iii) any breach or default of this Agreement by Tenant, its agents, employees, licensees or contractors, except in any event to the extent such damage, death, injury or Liabilities are caused by or arise from the willful misconduct or negligence of Landlord.

(b) Insurance Certificates. Unless waived in writing or otherwise provided by the Landlord, the Tenant shall procure the insurance coverages identified below at the Tenant's own expense and shall furnish the Landlord an insurance certificate listing "City of Burlington, Burlington International Airport" as the certificate holder. The insurance certificate must provide the following:

- Name and address of authorized agent.
- Name and address of insured.
- Name of insurance company(ies).
- Description of policies, including coverage type and amounts.
- Policy Number(s).
- Policy Period(s).
- Limits of liability.
- Name and address of Landlord as certificate holder.
- Signature of authorized agent.
- Telephone number of authorized agent.
- Insurance company will endeavor to notice in accordance with the policy provisions in the event of cancellation/non-renewal.
- Landlord designated as additional insured on a primary, noncontributory basis, with waiver of subrogation and thirty (30) days' notice of cancellation under all policies with the exception of professional liability, and except that additional insured status is not required for workers' compensation. Copies of endorsements shall be attached to the certificate of insurance.

Landlord may require certificates of insurance for any insurance policies entered into by Tenant, and Tenant is responsible for annually verifying and confirming in writing to Landlord that all sub-contractors, agents, operators or workers meet the minimum coverage and limits plus maintain current certificates of coverage, and that all work activities related to this Agreement shall meet minimum coverage and limits, with any sub-contractors, agents, operators or workers complying with the same insurance requirements as Tenant.

(c) Policy Provisions. Each of the insurance coverages required below (i) shall be issued by a company licensed by the State of Vermont to transact the business of insurance in the State of Vermont for the applicable line of insurance, and (ii) shall be an insurer with an A.M. Best Co. Policyholders Rating of "A-/VIII" or better by the latest *A. M. Best Insurance Report* or has an analogous rating from a comparable

rating service approved by Landlord. Each such policy shall contain the following provisions:

- (i) All certificates shall contain a provision stating that the coverages afforded under said policies will not be cancelled, materially changed or not renewed without at least thirty (30) days written prior notice to the Landlord; and
- (ii) The policies shall not be subject to invalidation as to any insured by reason of any act or omission of another insured or any of its officers, employees, agents or other representatives and shall contain a clause to the effect that such policies and the coverage evidenced thereby shall be primary with respect to any policies carried by Landlord, and that any coverage carried by Landlord shall be excess insurance. In no event shall the limits of said policies be considered as limiting the liability of Tenant under this Agreement.

(d) Insurance Coverages. During the Term, the Tenant agrees to purchase and maintain the following types of insurance coverages, and provide evidence of continuing coverage to Landlord on an annual basis. Under no circumstances shall Tenant's liability be limited to the amount of insurance carried. Any changes to insurance are at the sole expense of Tenant. Limits of insurance required at the Effective Date of this Agreement are as follows:

- (i) Workers' Compensation and Employer's Liability. The Tenant agrees to provide Workers' Compensation coverage in accordance with the statutory limits as established by the State of Vermont and with a minimum limit for employer's liability no lower than \$500,000/accident (bodily injury by accident) and \$500,000 policy limit, \$500,000/employee (bodily injury by disease). The Tenant shall require all contractors and subcontractors performing work or occupying the Premises under this Agreement to obtain an insurance certificate showing proof of Workers' Compensation coverages and Tenant shall require from its general contractor(s) that all subcontractors submit certificates of such insurance to Landlord prior to performing work or occupying the Premises.
- (ii) Employers' Liability Insurance. If Tenant has employees, the Tenant shall also maintain Employers Liability Insurance Coverage with limits of at least:

Bodily Injury by Accident - \$500,000 each accident; and
Bodily Injury by Disease - \$500,000 each employee.
Bodily Injury by Disease - \$500,000 policy limit.

The Tenant shall require all contractors and subcontractors performing work or occupying the Premises under this Agreement to obtain an insurance certificate showing proof of Employers Liability Insurance Coverage and Tenant shall require from its general contractor(s) that it and all subcontractors submit certificates of such insurance to Landlord prior to performing work or occupying the Premises. Notwithstanding the foregoing, recognizing that not all subcontractors will have the limits set forth herein, the Tenant may allow its contractor to have discretion to accept lower limits from subcontractors as appropriate.

- (iii) Commercial General Liability Insurance. The Tenant shall provide Commercial General Liability Insurance naming the Landlord as additional insured on a primary, non-contributory basis (using endorsements CG 20 10 and CG 20 37 or their equivalents for a period of three year), which shall include, but need not be

limited to, coverage for bodily injury and property damage arising from premises and operations liability, products and completed operations liability, personal injury and advertising liability, contractual liability, fire legal liability, blasting and explosion, collapse of structures and underground damage liability. The Commercial General Liability Insurance shall provide at minimum limits of \$1,000,000 per occurrence, \$2,000,000 aggregate. Pollution shall be included or provided as a separate policy with minimum limits of \$1,000,000 per occurrence.

- (iv) Commercial Business Automobile Liability Insurance. The Tenant shall provide Commercial Business Automobile Liability Insurance naming the Landlord as additional insured on a primary, non-contributory basis which shall include coverage for bodily injury and property damage liability arising from the operation of any owned, non-owned or hired automobile. The Commercial Business Automobile Liability Insurance Policy shall provide not less than \$1,000,000 Combined Single Limits for each accident.
- (v) Commercial Umbrella Liability Insurance. The Tenant shall provide a Commercial Umbrella Liability Insurance Policy to provide excess coverage above the Commercial General Liability, the Commercial Business Automobile Liability, Pollution Liability, and Employers' Liability on a follow form basis in addition to the minimum limits set forth herein and including identical additional insured requirements as required in the primary liability policies. The minimum amount of Umbrella limits required above the coverages and minimum limits stated above shall be \$4,000,000 per occurrence and \$4,000,000 in the aggregate. Alternatively, if excess coverage is not available for any of the liability policies referenced above, the minimum limits of the underlying policy shall be increased by \$4,000,000 per occurrence and \$4,000,000 in the aggregate.
- (vi) Builders Risk Insurance. During the construction of the Project, any major renovation (defined to mean with a cost in excess of \$100,000) or major reconstruction of all or any portion of the Project, Tenant shall provide, or cause its Contractor to provide, a Builder's Risk Insurance Policy to be made payable to the Landlord and Tenant as their interests may appear, but in all instances subject to the terms, conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgage. The policy amount should be equal to 100% of the construct sum under any construction contract applicable to any such reconstruction. All deductibles shall be the sole responsibility of Tenant or the Contractor, and in no event shall the amount of any deductible exceed \$250,000.00. The policy shall be endorsed substantially as follows:

"The following may occur without diminishing, changing, altering or otherwise affecting the coverage and protection afforded the insured under this policy:

- (i) Furniture and equipment may be delivered to the insured premises and installed in place ready for use; and
- (ii) Partial or complete occupancy by Tenant, and
- (iii) Performance of work in connection with construction operations insured by the Tenant, by agents or sublessees or other contractors of Tenant, or by contractors of the Tenant."

- (vii) During the construction of the Project, any major renovation (defined to mean with a cost in excess of \$100,000) or major reconstruction of all or any portion of the Project, Tenant shall require its general contractor, architect and other design professionals with significant design obligations (other than the landscape architect) to carry professional liability insurance covering claims arising out of negligent errors or omissions in rendering or failure to render professional services, in an amount not less than \$1 million each claim and \$2 million annual aggregate; coverage shall include liability arising out of a contract, and if such insurance is on a claims made basis, Tenant's architect shall maintain liability coverage for not less than five years following the date of substantial completion of the work.
- (viii) Property Insurance. Upon completion of the Project, during the Term Tenant shall provide an "all risk" Property Insurance Policy to be made payable to the Landlord and Tenant as their interests may appear, but in all instances subject to the terms and conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgagee. The policy amount should be equal to 100% of the replacement value of the completed Project and related improvements and shall include replacement cost, demolition cost and increased cost of construction endorsements. All deductibles shall be the sole responsibility of Tenant, and in no event shall the amount of the "All Risk" deductible exceed \$100,000.00. Any improvements constructed by Tenant upon the Premises shall be constructed and maintained at Tenant's risk.
- (ix) Performance Bond and Payment Bond. During the construction of any major renovation (defined to mean with a cost in excess of \$500,000) or major reconstruction of all or any portion of the Project, Tenant shall deliver to Landlord, at the time of execution of a contract related to such construction or reconstruction work evidence of, (x) a Performance Bond of Tenant's contractor equal to 100% of the completed value of the work with Landlord named as a co-obligee, and (y) a Labor and Materials Payment Bond from Landlord's contractor in the amount equal to 100% of the completed value. For additional clarity, this Section 15(d)(ix) shall not apply with respect to the initial construction of the Project, bonding for which is addressed in Section 3(d)(iii), or otherwise with respect to work being performed by the Contractor.

(e) Waiver of Subrogation. Each of Landlord and Tenant hereby releases the other and their officers, directors, shareholders, agents and employees from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage to property caused by any of the perils which are insured against under standard policies of fire and casualty insurance (including extended coverage), even if such fire or other casualty shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible. This provision shall be deemed suspended during any period of time when insurance companies will not issue insurance policies for properties with such a provision in this Agreement.

(f) Termination of Obligation to Insure. Unless otherwise expressly provided to the contrary, the obligation to insure as provided herein continues throughout the Term and shall not terminate until this Agreement has expired or been terminated and the Premises surrendered.

(g) Review of Insurance. Subject to the terms and conditions of any Leasehold Mortgage and the requirements of any Leasehold Mortgagee, the Landlord reserves the right to review the insurance

coverage requirements every five years to ensure that the specified coverages and limits remain commercially reasonable for similar improvements and facilities, and Tenant shall modify its coverage throughout the term of this Agreement at Tenant's sole expense upon the reasonable request of Landlord if the specified coverages and limits are no longer commercially reasonable for similar improvements and facilities.

Section 16. **Damage or Destruction.** If, during the Term, the Project is wholly or partially damaged or destroyed, Tenant shall promptly give written notice of that damage or destruction to Landlord. Subject to the terms of any Leasehold Mortgage then in effect, any such damage or destruction shall not terminate this Agreement, and Tenant shall apply available insurance proceeds and the amount then held in the Capital Reserve Account to promptly repair, restore, replace, rebuild, or reconstruct (herein "Restoration" or "Restore") the Project to substantially the same quality, workmanship, finishes and size as existed immediately before the damage or destruction unless the Landlord gives its prior written approval to do otherwise (subject to Section 44). Subject to the terms of any Leasehold Mortgage then in effect, which may provide that a Leasehold Mortgagee has the right to participate in adjustment of losses as to casualty proceeds, the Restoration shall be commenced promptly and prosecuted with due diligence following adjustment or collection of insurance proceeds. The terms of any Leasehold Mortgage may require payment of insurance proceeds to be made to the Leasehold Mortgagee or to an independent trustee acceptable to the Leasehold Mortgagee until Restoration is complete. Base Rent required to be paid hereunder shall abate in proportion to that part of the Premises that is rendered unfit for occupancy bears to the whole of the Premises until Restoration is complete. In no event shall Landlord have any right to receive any insurance proceeds; any excess insurance proceeds remaining following Restoration shall be delivered to Tenant, subject to the rights of any Leasehold Mortgagee. The parties acknowledge that if funds held in the Capital Reserve Account are used in connection with the restoration of the Project, the reduction of the sum then held in the Capital Reserve Account may be offset by the fact that some or all of the Project shall have been replaced prior to their scheduled replacement. Notwithstanding the foregoing, Tenant agrees that if reasonably requested by Landlord, it shall commission a third-party consultant selected and paid for by Tenant and reasonably acceptable to Landlord to perform a life cycle analysis of the Project following restoration to determine the amount by which the Capital Reserve Account shall be funded on a monthly basis following restoration.

Notwithstanding anything to the contrary, if any damage or casualty to the Project shall occur within the five (5) years prior to the end of the Term, and the cost of Restoration pursuant is reasonably estimated to exceed one percent (1%) of the replacement cost thereof, Tenant shall have the right to terminate this Lease. Tenant shall exercise such right on or before the date that is ninety (90) days after the occurrence of such damage or casualty. If Tenant provides such notice of termination of this Lease, then at the option of Landlord, Tenant, at its sole cost and expense (subject to reimbursement from the Capital Reserve Fund and as described below), shall either (i) demolish the Project, or (ii) safeguard and secure the Project so that they do not present any imminent danger to person or property. Landlord shall exercise such option within two (2) months after such notice. If this Lease so terminates, then the proceeds of insurance shall be disbursed as follows: (a) first, to any Leasehold Mortgagee, the amount of the outstanding indebtedness secured by the Leasehold Mortgage, (b) second, to Tenant to reimburse Tenant for the out-of-pocket costs incurred by Tenant pursuant to clauses (i) and (ii) above, if any, and (c) the balance, to Landlord.

Section 17. **Condemnation or Eminent Domain; Certain Other Governmental Orders.**

(a) If the whole of the Premises and the Project shall be appropriated or condemned under power of eminent domain by any competent authority for any public or quasi-public use or purpose after the Effective Date, Tenant reserves unto itself the right to prosecute its claim for an award of damages for the termination of this Agreement caused by such appropriation or taking, together with damages based on

the value of Tenant's total improvements on the Premises and damages Tenant may sustain caused by such appropriation and taking of, or the injury to, the Tenant's leasehold interest. In such event, this Agreement shall terminate when Tenant can no longer use the Premises in the manner herein intended, or when possession thereof shall be required by the appropriating or condemning authority, whichever shall first occur and any unearned Rent or other charges, if any, paid in advance shall be refunded to Tenant.

(b) If a part of the Premises shall be appropriated or condemned, and Tenant determines in its reasonable discretion that such partial taking renders the continued operation and management of the Premises uneconomic, then and in any such event Tenant, at any time either before or within a period of sixty (60) days after the date when possession on the part of the Premises so taken shall be required by the appropriating or condemning authority may elect to terminate this Agreement. If Tenant shall exercise such election to terminate this Agreement, Tenant shall have the right to prosecute its claim for an award for damages for the termination of this Agreement caused by such partial appropriation or taking, together with damages based on the value of Tenant's total improvements in the same manner and to the same extent as that hereinbefore reserved by Tenant in the event that the whole of the Premises were appropriated or condemned, except that nothing herein shall be construed to entitle Tenant to any such damages or to obligate the Landlord to pay any such damages or portion thereof upon a failing by the condemning or appropriating authority or an adjudication as between the authority and Tenant to make an award of damages. Upon termination, any unearned Rent or other charges, if any, paid in advance shall be refunded to Tenant. For additional clarity, any temporary taking of the whole or part of the Premises shall be considered under this Section 17 as a partial taking.

(c) If Tenant shall fail to exercise such option, or in the event that a part of the Premises shall be taken or condemned under circumstances in which Tenant shall have no such option, then in either event this Agreement shall continue in full force and effect and shall terminate only as to that part of the Premises so taken and Rent required to be paid hereunder shall abate in proportion to that part of the Premises that is taken or condemned bears to the whole of the Premises. In that event Tenant shall, using compensation available or paid upon such a partial taking (or purchase), and if those are insufficient, using funds then held in the Capital Reserve Account, make all repairs to the buildings and improvements on the Premises affected by such taking (or purchase) to the extent necessary to restore the same to a complete architectural unit (to the extent permitted, however, taking into consideration the amount of land remaining after any such taking or purchase). All compensation available or paid to the Landlord and Tenant upon such a partial taking (or purchase), shall be paid to Tenant for the purpose of paying towards the cost of such restoration, and any excess compensation shall be paid first to Tenant for the value of any improvements or improved property so taken, and then to Landlord for the value of any property taken and considered as unimproved and for the cost of any property restoration occasioned by such partial taking (or purchase). The parties acknowledge that if funds held in the Capital Reserve Account are used in connection with the restoration of the Project, the reduction of the sum then held in the Capital Reserve Account may be offset by the fact that some or all of the Project shall have been replaced prior to their scheduled replacement. Notwithstanding the foregoing, Tenant agrees that if reasonably requested by Landlord, it shall commission a third-party consultant selected and paid for by Tenant and reasonably acceptable to Landlord to perform a life cycle analysis of the Project following restoration to determine the amount by which the Capital Reserve Account shall be funded on a monthly basis following restoration.

(d) In all events, and notwithstanding the foregoing provisions of this Section or anything to the contrary, a Leasehold Mortgagee shall have the right to participate in any condemnation proceedings and settlement discussions. If any Leasehold Mortgage is in effect at the time of any taking or partial taking, payments or awards made in connection therewith shall be made to the Leasehold Mortgagee or to an independent trustee for the purposes of supervising and controlling the receipt and disbursement of condemnation awards for the restoration of the Premises (in the event of a partial taking that does not result in the termination of this Agreement) or otherwise. This payment must not be less than the total award

minus the value of the land considered as unimproved but encumbered by this Agreement.

(e) To the maximum extent allowable under State or Federal Law, Tenant reserves its rights to pursue damages or remedies for any condemnation of the Premises. Nothing in this Section 17 waives or modifies any legal or equitable rights Tenant may have as a leasehold owner or as a business owner in the event the Premises is subject to eminent domain.

(f) In the event of the issuance by any court of competent jurisdiction of an injunction, order, or decree preventing or restraining the use by Tenant of all or any substantial part of the Premises or preventing or restraining the use of the Airport for usual Airport purposes in its entirety, or the use of any part thereof which may be used by Tenant and which is necessary for Tenant's operations on the Airport, Landlord shall not be deemed in default of its obligations hereunder, and Tenant's obligation to pay Rent shall equitably abate until such order terminates or is vacated.

(g) In the event that any agency or instrumentality of the federal or any state or local government shall occupy the Airport or a substantial part thereof, or in the event of military mobilization or public emergency wherein there is a curtailment, either by executive decree or legislative action, of normal civilian traffic at the Airport or its use for civil aviation, and any of said events shall result in material interference with Tenant's normal operations, Landlord shall not be deemed in default of its obligations hereunder, and Tenant's obligation to pay Rent shall equitably abate until such state affairs ceases and normal operations resume

Section 18. **Landlord's Right to Mortgage Property.**

(a) Landlord shall have the right to grant one or more mortgages, deeds of trust or other security instruments on Landlord's interest in the Premises (each, a "Fee Mortgage"), subject to Section 18(b).

(b) Any Fee Mortgage shall automatically and without further act be subject and subordinate in all respects to this Lease, any Leasehold Mortgage and the Tenant's rights hereunder. The foregoing is intended to provide that although the Fee Mortgage pertains to the fee interest in the Property, any exercise by the holder of a Fee Mortgage (each, a "Fee Mortgage") of its remedies thereunder shall be subject to this Lease and any Leasehold Mortgage and shall not terminate or otherwise affect this Lease. No foreclosure of such Fee Mortgage (or deed in lieu of such foreclosure) or other exercise of remedies under a Fee Mortgage, shall operate to disturb the rights of Tenant under this Lease or the rights of a Leasehold Mortgagee under a Leasehold Mortgage, and the transferee thereof shall recognize such rights. The foregoing provisions of this Section 18(b) are intended to be self-operative, but each Fee Mortgagee, by acceptance of its Fee Mortgagee, shall be deemed to have agreed to execute such further assurances as Tenant or any Leasehold Mortgagee may reasonably request to confirm the agreements set forth in this Section 18(b).

Section 19. **Environmental Compliance.**

(a) Except as provided in Subsections 19(b) and 19(d), below, to the extent caused by or arising from the acts or omissions of Tenant, its agents, employees or contractors, Tenant shall defend, indemnify, and hold harmless Landlord and its officers and employees from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including reasonable attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to: (i) the presence, disposal, release, or threatened release of any Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party

other than Tenant, its agents, employees or contractors; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors; and/or (iv) any violation of laws, orders, regulations, requirements, or demands of government authorities which are based upon or in any way related to Hazardous Materials on or from the Premises, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by a party other than Tenant, its agents, employees or contractors. For purposes of this Section 19, the term “Hazardous Materials” includes any flammable explosives, radioactive materials, hazardous materials, hazardous waste, hazardous or toxic substances, oil or petroleum products, asbestos, or related materials; including as the same are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601, *et seq.*), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §§ 1801, *et seq.*), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 6901, *et seq.*), applicable Vermont Statutes, and in the regulations adopted and publications promulgated pursuant thereto. Tenant shall provide Landlord with copies of any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials and the Premises and shall give Landlord written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises. The foregoing provisions shall be in addition to any other obligations and liabilities Tenant may have under this Agreement, at common law, or otherwise, and shall survive the termination or expiration of this Agreement for a period of two years.

(b) Tenant shall not be liable to Landlord for any Hazardous Materials to the extent that such Hazardous Materials were generated, stored, handled, transported, disposed of, discharged or released by any party other than Tenant, its agents, employees or contractors.

(c) Tenant shall provide Landlord with copies of any environmental reports or studies in its possession or in the possession of its agents which it can obtain without expense related to the Premises and any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials on, from or affecting the Premises and shall give Landlord written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises.

(d) Except as otherwise provided in Subsection 19(a), above, Landlord shall defend, indemnify, and hold harmless Tenant and its members and managers from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to: (i) the presence, disposal, release, or threatened release of any Hazardous Materials on, from, or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to Hazardous Materials on, from or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to Hazardous Materials on, from or affecting the Premises; and/or (iv) any

violation of laws, orders, regulations, requirements, or demands of government authorities based upon or in any way related to Hazardous Materials on, from or affecting the Premises to the extent generated, stored, handled, transported, disposed of, discharged or released prior to the Effective Date and/or by Landlord or its tenants, agents, employees, licensees or contractors, except in any such case to the extent of any negligence or willful misconduct with respect to the foregoing by Tenant, its agents, employees, licensees or contractors. Landlord shall provide Tenant with copies of any notices, correspondence, warnings, guidance or other written materials received from any governmental authority or other person or entity in connection with Hazardous Materials on, from or affecting the Premises and shall give Tenant written notice of its discovery or release of any Hazardous Materials on, from or affecting the Premises. The foregoing provisions shall be in addition to any other obligations and liabilities Landlord may have under this Agreement, at common law, or otherwise, and shall survive the termination or expiration of this Agreement for a period of two years.

Section 20. **Quiet Enjoyment; Landlord's Warranties.**

(a) Landlord covenants and agrees with Tenant that upon Tenant paying the Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed under this Agreement, Tenant shall and may peaceably and quietly have, hold, occupy and enjoy the Premises, the Project and all appurtenances thereto without hindrance or molestation from any person claiming by, through or under Landlord.

(b) Landlord represents and warrants to Tenant that (i) Landlord and any person executing this Agreement in a representative capacity has full right and lawful authority to execute this Agreement in the manner and upon the conditions and provisions herein contained; (ii) Landlord has obtained all necessary approvals, including from the FAA, to enter into this Agreement, including to allow the use of the Premises by Tenant as permitted under this Lease; (iii) Landlord owns good and marketable fee simple title to the Premises subject only to the Permitted Encumbrances and to no other restrictions, covenants, conditions, easements or encumbrances whatsoever unless subsequently consented to by Tenant (and if applicable by any Leasehold Mortgagee), (iv) Landlord has fully complied with all requirements pertaining in any way to the disposition of real estate as the same may apply to this Agreement, including undertaking the Procurement in compliance with Applicable Law, and (v) except as expressly provided otherwise in this Lease, there are no leases, licenses, or other agreements pursuant to which any person has the right to use or occupy any part of the Premises, except as set forth on **Schedule 20(b)** attached hereto.

Section 21. **Defaults.**

(a) If any one or more of the following events (herein called "Events of Default") shall occur:

- (i) if default shall be made in the due and punctual payment of any installment of Rent, when and as the same shall become due and payable, and such default shall continue for a period of ten (10) business days after written notice thereof from Landlord; provided, however, that once Landlord has given Tenant two (2) such notices during any twelve (12) consecutive month period, Landlord shall not be required to give further written notice, and thereafter the failure by Tenant to pay any installment of Rent, when and as the same shall become due and payable, which failure continues for a period of ten (10) business days, shall be an Event of Default without further notice; or
- (ii) if default shall be made in the due and punctual payment of any installment of any sum of money payable by Tenant under this Agreement other than Rent, when and

as the same shall become due and payable, and any such default shall continue for a period of ten (10) business days after written notice thereof from Landlord; provided, however, that once Landlord has given Tenant two (2) such notices during any twelve (12) consecutive month period, Landlord shall not be required to give further written notice, and thereafter the failure by Tenant to make any such payment when and as the same shall become due and payable, which failure continues for a period of ten (10) business days, shall be an Event of Default without further notice; or

- (iii) if default shall be made by Tenant in the performance or compliance with any of the agreements, terms, covenants or conditions in this Agreement provided, other than those referred to in the foregoing Subsections 21(a)(i) or (ii), and such default shall continue for a period of thirty (30) days after written notice from Landlord to Tenant specifying the items in default, or in case of a default or contingency which cannot with due diligence be cured within said thirty (30) day period, Tenant fails to proceed within said thirty (30) day period to commence to cure the same and thereafter to prosecute the curing of such default with due diligence (it being understood that the time of Tenant within which to cure shall be extended for such period as may be necessary to complete the same with all due diligence); or
- (iv) if Tenant shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future state or federal bankruptcy or insolvency statute or law, or shall seek or consent to the appointment of any bankruptcy or insolvency trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises; or
- (v) if within sixty (60) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future state or federal bankruptcy act or any other present or future state or federal bankruptcy or insolvency statute or law, such proceeding shall not have been dismissed, or, if, within sixty (60) days after the appointment, without the consent or acquiescence of Tenant, of any trustee, receiver or liquidator of Tenant or of all or substantially all of its properties or of the Premises, such appointment shall not have been vacated or stayed on appeal or otherwise, or if within sixty (60) days after the expiration of any such stay, such appointment shall not have been vacated,

then and in any such event Landlord, at any time thereafter that the Event of Default remains uncured, may give written notice to Tenant specifying such Event of Default or Events of Default and stating that this Agreement and the term thereof shall expire and terminate on the date specified in such notice which shall be at least sixty (60) days after the giving of such notice, and upon the date specified in such notice this Agreement and such term and all rights of Tenant under this Agreement shall, subject to the rights of Leasehold Mortgagees, expire and terminate (except those that are expressly provided to survive termination of this Agreement) and whereupon the provisions of Section 7(c) and Section 7(d) shall apply.

Notwithstanding anything to the contrary, if the Event of Default giving rise to such notice of termination from Landlord arises pursuant to Section 21(a)(i) or 21(a)(ii), Tenant may cure such Event of Default prior to the date specified in Landlord's notice of termination in which event this Agreement shall continue in full force and effect.

Further notwithstanding anything to the contrary, if the Event of Default results in an emergency matter posing a risk of immediate harm to persons or property and/or respects failure by Tenant to maintain insurance as required by this Lease and Tenant fails to remedy the same within a reasonable time given the exigency, Landlord may elect to cure the same and Landlord's reasonable costs in so doing will be considered Additional Rent under this Lease.

(b) Upon any such expiration or termination of this Agreement, Tenant shall quit and peacefully surrender the Premises to Landlord, and Landlord, upon or at any such expiration or termination, may without further notice, enter upon and reenter the Premises and possess and repossess itself thereof by summary proceedings, and may bring such actions for damages or equitable relief to which Landlord may be entitled under Applicable Law or at equity, provided that in no event shall Landlord be entitled to accelerate or otherwise receive Rent for longer than four (4) years of the unexpired remainder of the Term, subject to Landlord's obligation to use good faith efforts to mitigate Tenant's damages.

(c) If Landlord shall default in its obligations under this Agreement, Tenant may pursue all available legal or equitable remedies provided by law.

Section 22. **Additional Covenants of Tenant.** Tenant covenants and agrees as follows:

(a) To keep and maintain the Project and the Premises, and each and every part thereof including the building structure and roof, doors and windows, exterior appearance, gas, electrical, plumbing, HVAC and other building systems, landscaping and hardscaping, and building shell and core fixtures, in good order, condition and repair (reasonable wear and tear excepted).

(b) Not to make any illegal use of the Premises and not to cause waste to the Premises.

(c) To pay to Landlord a late charge equal to five percent (5%) of each payment of Rent or other amount due hereunder which is not received by Landlord within ten (10) days after the same is due.

Section 23. **No Waiver; No Accord and Satisfaction.** The waiver by Landlord of a breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, or of any subsequent breach of the same or any other term, covenant or condition. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No covenant, term or condition of this Agreement shall be deemed to have been waived or modified, unless such waiver or modification is in writing and executed on behalf of the parties. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this Agreement provided.

Section 24. **Time is of the Essence; Force Majeure.** All time limits stated herein are of the essence of this Agreement. If either party (and/or a Leasehold Mortgagee curing Tenant's or its obligations hereunder) shall be affected by Unavoidable Delay (as defined below), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. As used in this Agreement, "Unavoidable Delay" means delays incurred due to (i) any act of God (including weather delays beyond historic weather patterns), flood, earthquake, fire, disease, pandemics, epidemics and the like, (ii) labor strike, civil unrest or work stoppage

or slowdown (including failure of building inspectors to reasonably process approvals that cause work stoppage), (iii) unforeseeable interruptions in utility services, (iv) unforeseeable material shortages, transportation and logistics delays, (v) sabotage, war, riot, terrorism, moratorium, (vi) unforeseeable governmental action (including required work stoppage or closure of construction sites by applicable government authorities including closures in the general vicinity where the Premises is located, and including unforeseen archeological conditions or closure of government offices that issue necessary permits), (vii) delays caused by the other party, or with respect to Tenant any Affiliate of Tenant, or with respect to Landlord, any division, department or instrumentality of Landlord or under Landlord control, (viii) any other unforeseeable act of any third party unrelated to, and having no arrangements, contractual or otherwise, with the Premises or the respective party claiming the delay that reasonably prevents an action from being taken through no fault of the respective party claiming the delay, or (xi) other similar causes beyond the reasonable control of the party claiming the delay (but not including insolvency).

Section 25. **Notices.** Any notices to be given pursuant to this Agreement shall be sufficient if given by a writing deposited in the United States mails, certified mail or registered mail, return receipt requested, postage prepaid, by commercial courier, provided the courier's regular business is delivery service and provided further that it guarantees delivery to the addressee by the end of the next business day following the courier's receipt from the sender, by email (provided the electronic process used is reasonably secure and not easily susceptible to manipulation and that if notice is delivered by email, notice must also be delivered by one of the other methods described above unless the recipient or its counsel waives for foregoing) addressed as follows:

- If to Landlord: City of Burlington
Attention: Office of the City Attorney
City Hall, 149 Church St.
Burlington, VT 05401
Email: [_____]

- with a copy to: Patrick Leahy Burlington International Airport
Attention: Director of Aviation
1200 Airport Drive
South Burlington, VT 05403
Email: [_____]

- If to Tenant: Beta Technologies, Inc.
Attention: CEO & COO
1150 Airport Drive
South Burlington, VT 05403
Telephone No.: (802) 281-3623
Email: kyle@beta.team & blain@beta.team

- with a copy to: Beta Technologies, Inc.
Attention: General Counsel
1150 Airport Drive
South Burlington, VT 05403
Telephone No.: (802) 281-3623
Email: bdunkiel@beta.team

or to such other person, address or number as the party entitled to such notice or communication shall have specified by notice to the other party given in accordance with the provisions of this Section. Any such

notice or other communication shall be deemed given: (i) if mailed, three days after being deposited in the mail, properly addressed and with postage prepaid; (ii) if sent by courier, the next day after being deposited with the courier, properly addressed and with prepaid; (iii) if sent by email, when transmitted, provided that the sender does not receive an automated delivery failure or “out of office” message.

Section 26. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Vermont, without giving effect to such jurisdiction’s principles of conflict of laws. The parties consent to and submit to in personam jurisdiction and venue in the State of Vermont, County of Chittenden, and in the U.S. District Court for the District of Vermont. The parties assert that they have purposefully availed themselves of the benefits of the laws of the State of Vermont and waive any objection to in personam jurisdiction on the grounds of minimum contacts, waive any objection to venue, and waive any plea of forum non conveniens. This consent to and submission to jurisdiction is with regard to any action related to this Agreement, regardless of whether the parties’ actions took place in the State or elsewhere in the United States.

Section 27. **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 28. **Holding Over.** If Tenant shall continue in occupancy of the Premises after the expiration or termination of this Agreement, such occupancy shall not be deemed to extend or renew the terms of this Agreement, but such occupancy shall continue as a tenancy at will from month to month and otherwise upon the covenants, provisions and conditions herein contained, except that Base Rent shall be doubled. This Section shall not be construed as giving Tenant any right to hold over after any such expiration or termination. In addition, Tenant agrees to pay Landlord’s reasonable attorney’s fees and related costs if Landlord must take legal action to evict or eject Tenant who is holding over or to collect the holdover amount as set forth in this provision.

Section 29. **Jury Trial Waiver.** Landlord and Tenant waive the right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Agreement. This waiver is knowingly, intentionally, and voluntarily made by Tenant and Landlord and Tenant and Landlord acknowledge that neither Landlord nor Tenant nor any person acting on behalf of Landlord or Tenant has made any representations of fact to induce this waiver of trial by jury or in any way to modify or nullify its effect. Tenant and Landlord further each acknowledge that it has been represented (or has had the opportunity to be represented) in the signing of this Agreement and in the making of this waiver by independent legal counsel, selected of its own free will, and that it has had the opportunity to discuss this waiver with counsel. Tenant and Landlord further acknowledge that it has read and understands the meaning and ramifications of this waiver provision.

Section 30. **Tenant and Landlord Defined.** The word “Tenant” shall be deemed and taken to mean Beta Technologies, Inc. and its successors and permitted assigns. The term “Landlord” as used in this Agreement means only the owner for the time being of the Premises, so that, in the event of any sale thereof, the seller shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder not theretofore accrued, and it shall be deemed and construed, without further agreement between the parties or between the parties and the purchaser of the Premises, that such purchaser has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder.

Section 33. **Notice of Lease.** The parties will at any time, at the request of either one, promptly execute

multiple originals of an instrument, in recordable form which will constitute a notice of lease, setting forth the information required by 27 V.S.A. § 341(c). Landlord shall, upon request of Tenant, promptly execute and deliver to Tenant any transfer tax returns, affidavits or other documents which shall be required by any recording office as a condition of recording such memorandum or notice of this Agreement. Tenant shall be responsible for all recording fees and other recording costs, including recording taxes, related to the recording of the memorandum or notice of this Agreement.

Section 34. **Number; Gender; “Including”**. Wherever the context so requires, the singular and the plural form of words and words of masculine or feminine gender shall, within those respective classifications, be deemed interchangeable. The term “including”, and variants thereof, shall mean “including without limitation” unless the context otherwise expressly provides.

Section 35. **Captions; Headings**. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit, construe or describe the scope or intent of such sections, nor in any way affect this Agreement or have any substantive effect.

Section 36. **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument; such counterparts may be evidenced by pdf or similar reproduction methods and/or may be executed electronically using electronic signature software (e.g., DocuSign or similar software) or similar methods (each a method of “Electronic Execution”), and each pdf or Electronic Execution shall have the same legal and binding effect as original signatures; upon the request of either party, the other shall furnish a copy or copies with original signature within five (5) business days.

Section 37. **Waiver of Rule of Construction**. The parties waive the benefit of any rule that this Agreement is to be construed against one party or the other.

Section 38. **Entire Agreement; Amendment**. This Agreement and the exhibits hereto and the agreements referenced herein embody the entire agreement and understanding between the parties relating to the subject matter hereof and there are no covenants, promises, agreements, conditions or understandings, oral or written, except as herein set forth. This Agreement may not be amended, waived or discharged except by an instrument in writing executed by both parties.

Section 39. **Successors and Assigns**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 40. **Commissions and Fees**. The parties hereto warrant and represent to each other that they have no knowledge of any real estate broker or agent to whom a commission may be payable as a result of this transaction or any such knowledge of any other finder’s fees or commissions related thereto, and each party agrees to indemnify and hold harmless the other for all claims or demands of any real estate agent or broker claiming by, through, or under such party, which indemnification shall also include payment of costs and attorneys’ fees incurred by a party in defense of a claim for such real estate commissions or fees.

Section 41. **Tenant Representations and Warranties**. The Tenant makes the following representations and warranties to and for the benefit of Landlord:

(a) Tenant is a Delaware corporation, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in the State of Vermont and has the full power and authority to enter into, execute, deliver, and consummate the transaction contemplated by this Agreement and any instruments and agreements contemplated herein. Tenant has taken all action required by law or by its organizational or corporate documents to authorize the execution, delivery, and consummation of the

transaction contemplated hereby.

(b) The consummation of the transaction contemplated by this Agreement will not violate or be in conflict with any provision of Tenant's governing documents, or any other agreement or instrument to which Tenant is a party or by which Tenant is bound, or any judgment, decree, order, statute, rule or regulation applicable to Tenant.

(c) This Agreement constitutes the legal, valid and binding obligation of Tenant in accordance with its terms. No consent or approval of any trustee or holder of any indebtedness of the Tenant, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Agreement or the consummation of any transaction herein contemplated, except as have been obtained or made and as are in full force and effect.

(d) No information, exhibit or report furnished to the Landlord by the Tenant in connection with the negotiation of this Agreement knowingly contains any untrue statement of a material fact or knowingly omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 42. **No Partnership.** The parties do not intend by this Agreement to create, nor shall this Agreement be deemed to create, a partnership or a joint venture among the parties; each party is an independent actor and entity, and nothing in this Agreement shall be deemed to make either party an agent or partner of the other, or to give either party the right to bind the other in any way, notwithstanding any reference to the Project as a "public-private partnership."

Section 43. **No Third-Party Rights.** This Agreement is made solely and specifically between and for the benefit of the parties hereto, and their respective successors and assigns, subject to the express provisions hereof relating to successor and assigns, and except as otherwise expressly set forth herein, no other person, individual, corporation or entity, whatsoever, shall have any rights, interests or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

Section 44. **Consents and Approvals.** Wherever this Agreement requires the approval or consent of Landlord or Tenant, unless a different standard is expressly indicated, such approval or consent shall not be unreasonably withheld, conditioned or delayed. Wherever this Agreement requires the approval or consent of Landlord or Tenant, unless a different time period is expressly provided, such party shall respond to any written request for approval or consent within ten (10) business days following receipt of the same. Such response shall include either the party's consent to, or rejection of, such request. The responding party may also request additional information or materials related to the approval or consent requested (provided such request shall not extend the time of such party to respond to the request). If any party fails to respond to any written request for approval or consent within such time period as may be provided in this Agreement, the party requesting such approval or consent may elect to send an additional written notice that (i) is marked URGENT, IMMEDIATE RESPONSE REQUIRED and states the approval or consent that is requested, and (ii) states that the failure to respond to such request within two (2) business days after receipt of such additional written notice shall be deemed approval or consent. If such additional notice is sent as aforesaid, the failure to respond to such request within two (2) business days after receipt of such additional written notice shall be deemed approval or consent to the request contained therein (a "**Deemed Approval**"). Wherever this Agreement requires the approval or consent of Landlord or Tenant, if such party determines to withhold such approval or consent, such party shall state in reasonable detail the basis for withholding such approval or consent.

Section 45. **Estoppel.** Each party shall, within thirty (30) business days after request by the other party, execute and deliver to the requesting party, or the party designated by the requesting party, a statement certifying that: (i) this Agreement is unmodified and in full force and effect (or, if there have been modifications, stating the modifications, and that the modified Agreement is in full force and effect); (ii) whether, to the responding party's knowledge, either party is in default in performance of any of its obligations under this Agreement, and, if so, specifying each default; and (iii) any other information reasonably requested concerning this Agreement.

Section 46. **Further Assurances.** Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Lease, including amending this Lease to adjust the legal description of the Premises following construction to account for as-built conditions and entering into separate easements or other instruments to effectuate the access, use and other rights set forth in this Lease; provided, however, that the execution and delivery of such documents by such party shall not result in any additional liability or material cost to such party.

Section 47. **Dispute Resolution; Attorneys' Fees.** If a dispute arises between the parties with regard to the performance or interpretation of any terms of this Agreement, the parties agree to use the following procedures in the order as set forth below:

(a) **Negotiation.** A meeting shall be held between the Landlord and Tenant regarding the dispute to attempt in good faith to negotiate a resolution of the dispute (the "Negotiation Meeting"); such Negotiation Meeting shall be held within five (5) business days of a party's written request for such a meeting and may occur by telephone or video conference.

(b) **Mediation.** If the parties fail to resolve their dispute through the Negotiation Meeting, either party (the "**Notifying Party**") may demand non-binding mediation in an effort to resolve the dispute by giving written notice (the "**Notice of Dispute**") to the other party (the "**Receiving Party**"). The Notice of Dispute shall include, in detail, the issues in dispute that the Notifying Party deems relevant to the mediation. Within five (5) business days following the date of the Notice of Dispute, the Receiving Party shall submit to the Notifying Party a list of three (3) persons in Vermont or adjacent states who (i) do not have any professional, business, family or personal affiliation with any of the parties that would compromise their independence, (ii) have relevant training, experience and expertise with regard to the matters in dispute, and (iii) are reasonably available to mediate the dispute (the "**Mediator List**"). The Notifying Party shall, within three (3) business days following receipt of the Mediator List select a mediator (the "**Designated Mediator**") from the Mediator List and give written notice of the identification of the Designated Mediator to the Receiving Party and to the Designated Mediator. If the Receiving Party fails to approve a Mediator List within the time provided above, the Notifying Party shall have the right, upon notice to the Receiving Party, to designate a Designated Mediator who the Notifying Party reasonably believes will satisfy the Mediator criteria set forth above. The parties shall use good faith efforts to schedule and conduct the mediation as expeditiously as is reasonably possible, and the parties shall use their best efforts to make authorized representatives with authority to settle the dispute available for mediation and to cooperate in the mediation. The cost of Mediation, including any fees charged by the Mediator, shall be paid in equal shares by the Notifying Party and the Receiving Party.

(c) All negotiation shall occur in Chittenden County, Vermont at a mutually agreeable location; all Mediation shall occur or at the office of the Designated Mediator unless the parties to the dispute otherwise agree.

(d) If the parties fail to resolve the dispute through negotiation or mediation, then (1) if the parties agree on binding arbitration, they shall submit the matter to binding arbitration by a single arbitrator,

or (2) a party may seek an adjudicated resolution through an appropriate court.

(e) The parties consent to the inclusion in any mediation, arbitration, or litigation (by consolidation, joinder, or any other manner) third parties substantially involved in a question of law or fact common to a dispute between the parties under this Agreement.

(f) The substantially prevailing party in any dispute arising out of or relating to this Agreement that is resolved by binding arbitration or by litigation shall be entitled to recover from the other party its reasonable attorneys' fees, costs and expenses incurred in connection therewith.

(g) This dispute resolution provision shall survive the expiration or termination of this Agreement.

One Signature Page Follows

IN WITNESS WHEREOF, the parties, as evidenced by the signatures of their duly authorized agents, do hereby execute this Agreement as of the date first set forth above.

LANDLORD

City of Burlington

By: _____
Name: _____
Title: _____

STATE OF VERMONT
CHITTENDEN COUNTY, SS.

This Lease was acknowledged before me on _____, 2025, by _____ as _____ and Authorized Agent of the City of Burlington.

Before me, _____
Notary Public State of Vermont
My commission expires: 1.31.27
My credential number: _____

TENANT

Beta Technologies, Inc.

By: _____
Name: _____
Title: Duly Authorized Agent

STATE OF VERMONT
CHITTENDEN COUNTY, SS.

This Lease was acknowledged before me on _____, 2025, by _____ as _____ and Authorized Agent of _____ Beta Technologies, Inc.

Before me, _____
Notary Public State of Vermont
My commission expires: 1.31.27
My credential number: _____

EXHIBIT A

DEPICTION OF AIRPORT PROPERTY

[PENDING]

EXHIBIT B-1

LEASE PLAN

[PENDING]

EXHIBIT B-2

PREMISES LEGAL DESCRIPTION

[PENDING]

EXHIBIT C

AUTHORIZED REPRESENTATIVES

City: Director of Aviation
Deputy Director of Operations (Airport)
Engineering Director (Airport)

Beta: Kyle Clark
Blain Newton
Alex Gagnon

EXHIBIT D

Reserved

EXHIBIT E

REQUIRED FEDERAL PROVISIONS

I. Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Tenant transfers its obligation to another, the transferee is obligated in the same manner as Tenant. This provision obligates Tenant for the period during which the property is owned, used or possessed by Tenant and the Airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

II. **Compliance with Nondiscrimination Requirements:** During the performance of this contract, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a Contractor’s continuing noncompliance with the nondiscrimination provisions of this contract and failure to cure the same following the applicable notice and cure provisions of this Agreement, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
- b. Cancelling, terminating, or suspending a contract, in whole or in part.

6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

III. During the performance of this Agreement, the Tenant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 *et seq.*).

Schedule 1(d)

PERMITTED ENCUMBRANCES

[PENDING]

Schedule 7(f)

PARAMETERS FOR CAPITAL RESERVE ACCOUNT

[PENDING]

Schedule 20(b)

LEASE SCHEDULE

None.

25112718.6

GROUND LEASE AGREEMENT
BETWEEN
THE CITY OF BURLINGTON
AND
BETA TECHNOLOGIES
FOR THE
GENERAL AVIATION HANGAR, CULTURAL AND TRAINING CENTER AND ALIA STORAGE HANGAR

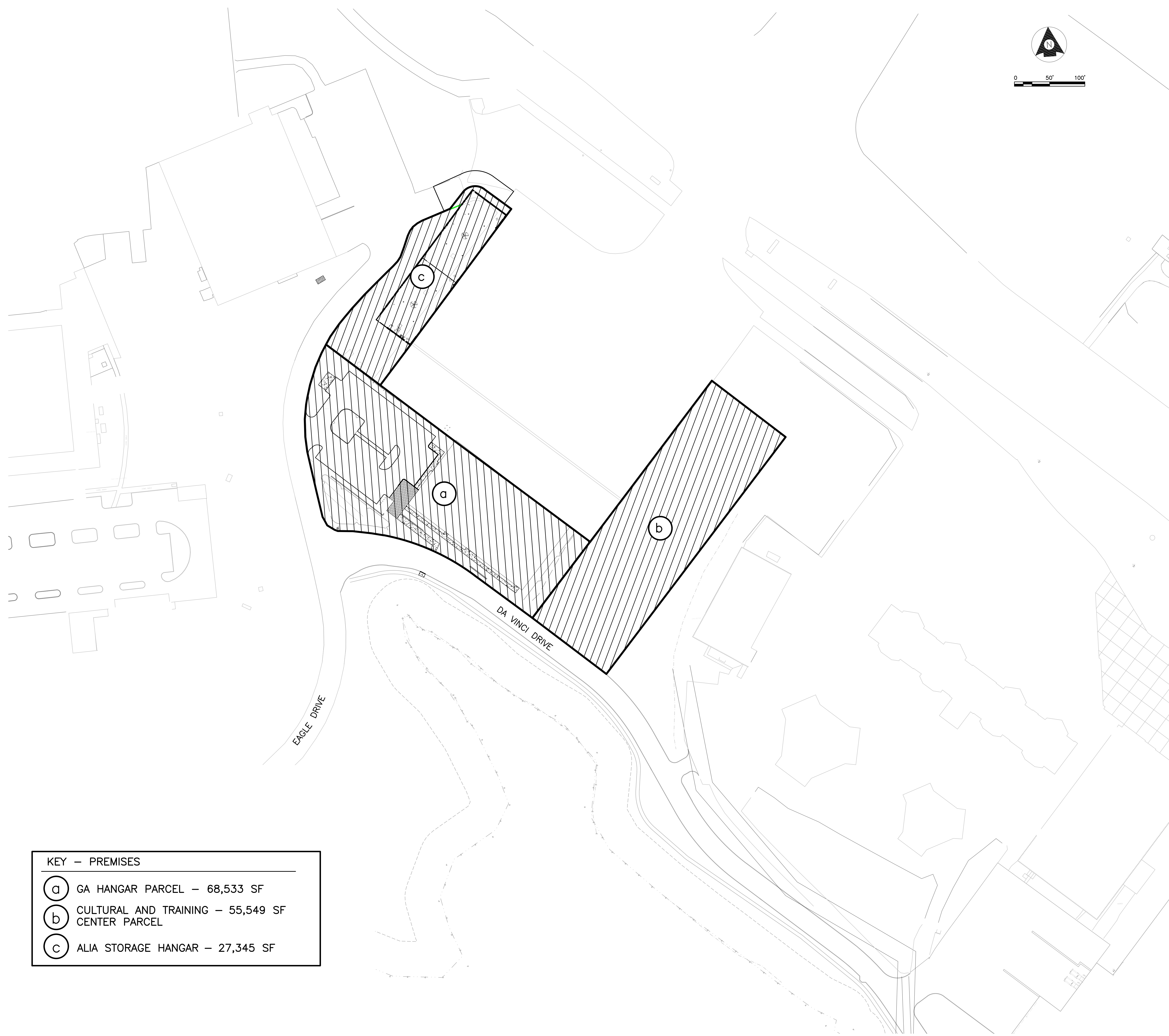
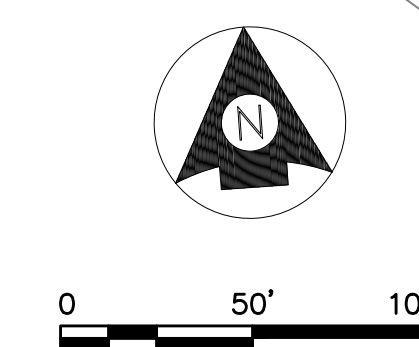


EXHIBIT B-1
LEASE PLAN

ISSUED
OCTOBER 7, 2025

EXHIBIT
B-1

KEY - PREMISES	
a	GA HANGAR PARCEL - 68,533 SF
b	CULTURAL AND TRAINING - 55,549 SF CENTER PARCEL
c	ALIA STORAGE HANGAR - 27,345 SF

AVAILABLE AERONAUTICAL DEVELOPMENT SITES

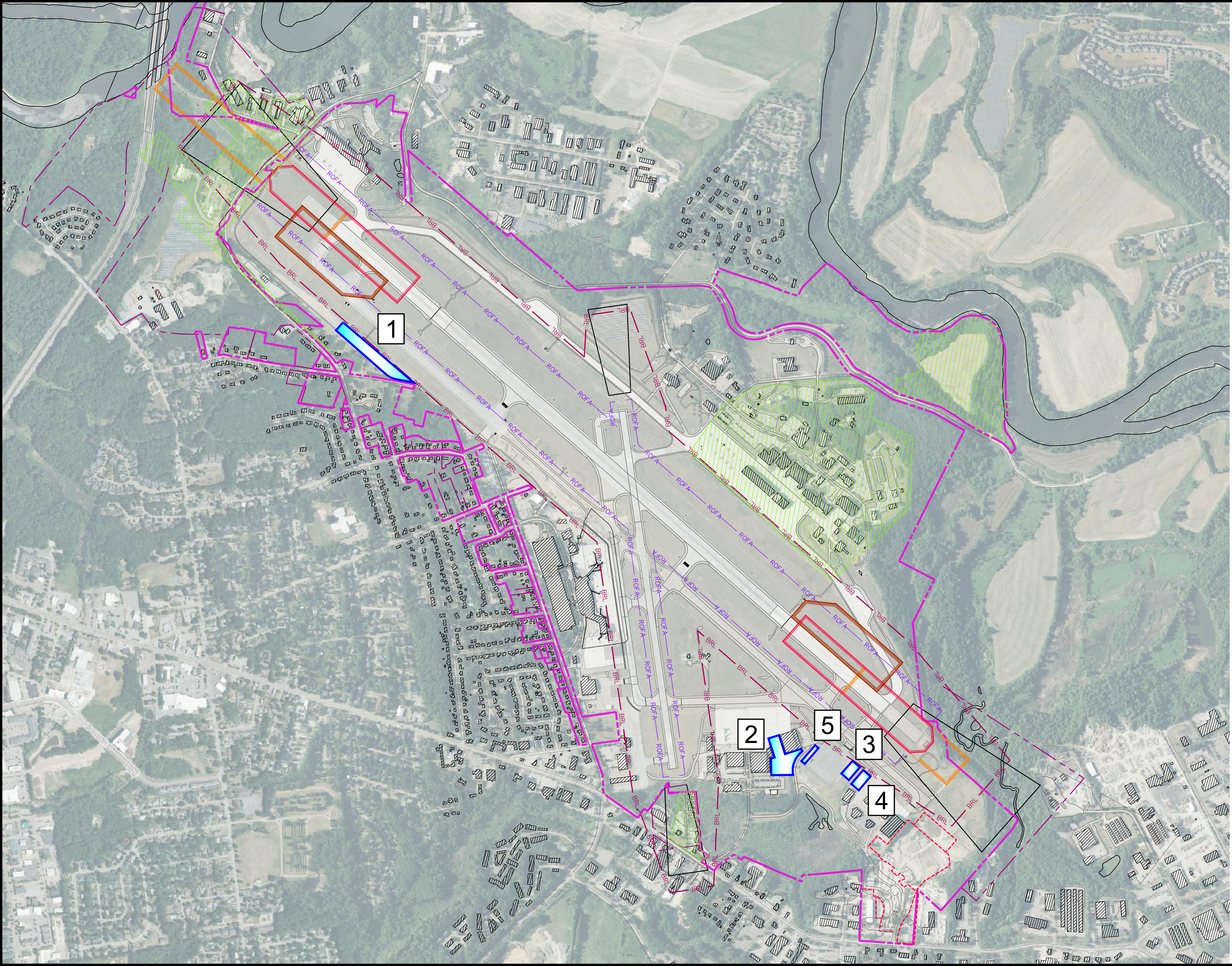


**AERONAUTICAL TOTAL AREA:
6.173 ACRES**

- AREA 1: 2.751 ACRES**
- AREA 2: 2.129 ACRES**
- AREA 3: 0.490 ACRES**
- AREA 4: 0.528 ACRES**
- AREA 5: 0.275 ACRES**

LEGEND

 AVIATION SITE



Resolution Relating to

RESOLUTION _____

AUTHORIZATION FOR PUBLIC IMPROVEMENT
BONDS FOR SCHOOL DISTRICT
CAPITAL IMPROVEMENTS –
MARCH 7, 2017 VOTER AUTHORIZATION

Sponsor(s): Bd. of Finance
Introduced: _____
Referred to: _____
Action: _____
Date: _____
Signed by Mayor: _____

CITY OF BURLINGTON

In the year Two Thousand Twenty-Five.....

Resolved by the City Council of the City of Burlington, as follows:

- 1 That WHEREAS, on March 7, 2017, voters of the City of Burlington approved a ballot question and
- 2 authorized the City Council to issue general obligation bonds or notes in an aggregate principal amount not to
- 3 exceed Nineteen Million Dollars and 00/100 (\$19,000,000.00) for the purpose of accomplishing capital
- 4 improvements at each of the school district's buildings in order to eliminate or substantially reduce the
- 5 deferred maintenance of such buildings in order to preserve their value for future educational use; and
- 6 WHEREAS, at a special meeting of the City of Burlington held on November 8, 2022, voters of the
- 7 City of Burlington approved the use of the proceeds of the general obligation bonds or notes authorized under
- 8 the March 7, 2017 voter approval for the construction of facilities for Burlington High School;
- 9 WHEREAS, pursuant to such voter authorization, the City previously issued its \$300,000 General
- 10 Obligation Public Improvement Bonds, Series 2017C, its \$6,000,000 General Obligation Public Improvement
- 11 Bonds Series, 2018B, its \$2,000,000 General Obligation Public Improvement Bonds, Series 2023A, and its
- 12 \$7,700,000 General Obligation Public Improvement Bonds, Series 2024A, for the Burlington School District;
- 13 and
- 14 WHEREAS, the Chair of the Board of School Commissioners of the Burlington School District has
- 15 requested that the City Council issue general obligation bonds or notes in a principal amount not to exceed
- 16 Three Million Dollars (\$3,000,000) pursuant to the March 7, 2017 voter authorization to finance capital
- 17 improvements, additions and replacements to Burlington High School and Burlington Technical Center,
- 18 including new construction (the "Project"); and
- 19 WHEREAS, while the School Department is managed by the Board of School Commissioners (the
- 20 "Board"), whose members are separately elected from the City Council, the City Council is responsible for the
- 21 issuance of bonds for school purposes; and
- 22 WHEREAS, the Board is required under the City Charter to allocate sufficient funds for the payment
- 23 of the principal and interest due or coming due on City bonds issued for school purposes; and

24 WHEREAS, the City Council, upon the request of the Board, wishes to approve the issuance of such
25 general obligation public improvement bonds in a principal amount not to exceed Three Million Dollars
26 (\$3,000,000) pursuant to the March 7, 2017 voter authorization;

27 NOW, THEREFORE, BE IT RESOLVED that the City Council has determined that it is necessary to
28 pledge the credit of the City in an aggregate principal amount not to exceed Three Million Dollars and 00/100
29 (\$3,000,000.00) and to issue general obligation public improvement bonds or notes for such purpose (the
30 “Bonds”); and

31 BE IT FURTHER RESOLVED that such Bonds may be sold in a private placement, competitive
32 public offering, or negotiated sale with one or more underwriters or underwriting firms, and may be sold and
33 issued with the other general obligation bonds or notes approved by the City Council;

34 BE IT FURTHER RESOLVED that the pledging of the City's credit for such Bonds is hereby
35 authorized, with the amount of indebtedness and the form of the evidence of indebtedness to be issued, the
36 interest rates, and payment schedule to be further determined by the Chief Administrative Officer; provided
37 that the true interest cost for the Bonds as determined by the Chief Administrative Officer, shall not exceed six
38 and one-half percent (6.50%) per annum; and

39 BE IT FURTHER RESOLVED that in the event the true interest cost of the Bonds would exceed six
40 and one-half percent (6.50%) per annum, the prior approval of the City’s Board of Finance shall be required;
41 and

42 BE IT FURTHER RESOLVED that the Bonds, when issued and delivered, shall be valid and binding
43 general obligations of the City payable according to the terms and tenor thereof from unlimited ad valorem
44 taxes duly assessed on the grand list of all taxable property in the City and from the Burlington School District
45 funds received from the State of Vermont Education Fund; and

46 BE IT FURTHER RESOLVED that the Mayor, the Chief Administrative Officer, the Director of
47 Finance, and the Assistant Director of Finance are, and each one of them is, hereby authorized and directed to
48 prepare one or more Official Statements of the City as they deem necessary in the City’s best interest. The
49 Mayor, the Chief Administrative Officer, the Director of Finance, and the Assistant Director of Finance are,
50 and each one of them is, hereby authorized to execute and deliver one or more final Official Statements and to
51 execute and deliver such agreements approved as to form by legal counsel, including one or more bond
52 purchase agreement with the underwriter or underwriters for the Bonds, continuing disclosure certificates,

AUTHORIZATION FOR PUBLIC IMPROVEMENT BONDS FOR SCHOOL DISTRICT CAPITAL IMPROVEMENTS – MARCH 7, 2017 VOTER AUTHORIZATION

53 certificates as to use of proceeds and all other documents, agreements and instruments necessary or convenient
54 in connection with the issuance of the Bonds; and

55 BE IT FURTHER RESOLVED that in order to obtain efficiency in the issuance of the Bonds, reduce
56 transaction expenses, and seek the potential opportunity for more favorable interest rates, the Chief
57 Administrative Officer may combine the issuance of the Bonds in one or more series with other bonds or notes
58 as authorized by the City Council for other capital projects; and

59 BE IT FURTHER RESOLVED that if in the opinion of the Chief Administrative Officer, it is
60 desirable and in the City’s best interest to obtain bond insurance for the Bonds, the Mayor, the Chief
61 Administrative Officer, the Director of Finance, and the Assistant Director of Finance are, and each one of
62 them is, hereby authorized to enter into such agreements and instruments approved as to form by legal counsel
63 with the bond insurer in order to obtain bond insurance for the Bonds.

64
65 *TM/Resolutions 2025/Authorization for Public Improvement Bonds for School District Capital Improvements -- March 7, 2017 Voter*
66 *Authorization*
67 10/16/25

MEMORANDUM

To: Burlington City Council
From: Clare Wool, Chair, Burlington Board of School Commissioners
CC: Nathan Lavery, Executive Director of Finance and Operations
Date: 10/14/2025
Subject: FY26 Bonding Authorization

The purpose of this memorandum is to support Burlington School District's request to execute bonding in the amount of \$19,000,000 as part of the City of Burlington's pending bond issuance.

All proceeds from this issuance are intended to support the BHS/BTC construction project. In the event that any bond proceeds remain unspent at the conclusion of the project, such funds will be used to finance capital improvements, additions, renovations and replacements for school district facilities.

The following is a list of the relevant voter authorizations:

1. \$2 million annual charter-authorized amounts going towards the BHS/BTC project ,
2. \$14 million of the November 2022 voter authorization going towards the BHS/BTC project,
3. \$3 million from the March 2017 voter authorization going towards the BHS/BTC project (note: this exhausts the 2017 authorization).

The Board of School Commissioners' FY26 budget development process included an assessment of expected capital borrowing costs and estimated debt service increases, which were incorporated into the final budget amount adopted by the Board with the understanding that the City of Burlington would conduct the actual borrowing. The Board adopted this budget on January 21, 2025 and the total budget amount was approved by voters on March 4, 2025.

It is on this basis that, as Chair of the Board of School Commissioners, I respectfully request that the City Council issue Nineteen Million Dollars (\$19,000,000) of general obligation bonds.



Clare Wool, Chair of the Board of School Commissioners



Date

Board of Finance and City Council Submission Checklist

Department: Department of Finance and Administration Submitter: Darlene Bayko

Title/Subject: FY26 BSD Annual Bonding

	Approval:	Meeting Date:
<input type="checkbox"/>	Board of Finance	Click or tap to enter a date.
<input type="checkbox"/>	City Council	Click or tap to enter a date.
<input checked="" type="checkbox"/>	Concurrent	10/21/2025

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	10/15/2025	Katherine Schad
Mayor’s Office informed and approved memo	Yes	10/16/2025	Erin Jacobsen
Board/Commission, if required	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney’s Office has approved contract and/or legal documents, -Identify attorney in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney’s Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	10/16/2025	Erik Ramakrishnan
CAO has reviewed budget, financing, and memo	Yes	10/15/2025	Katherine Schad
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	N/A	
Draft Resolution or Motion?	N/A	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	N/A	

Resolution Relating to

RESOLUTION _____

Sponsor(s): Bd. of Finance
Introduced: _____
Referred to: _____

Action: _____
Date: _____
Signed by Mayor: _____

AUTHORIZATION FOR SCHOOL DISTRICT CAPITAL
IMPROVEMENT BONDS FOR BURLINGTON HIGH
SCHOOL – NOVEMBER 8, 2022 VOTER
AUTHORIZATION

CITY OF BURLINGTON

In the year Two Thousand Twenty-Five.....

Resolved by the City Council of the City of Burlington, as follows:

- 1 That WHEREAS, at a special meeting held on November 8, 2022, voters of the City of Burlington
- 2 authorized the City Council to issue general obligation bonds or notes in one or more series in an aggregate
- 3 principal amount not to exceed One Hundred Sixty-Five Million Dollars and 00/100 (\$165,000,000.00) for the
- 4 purpose of making capital improvements to Burlington High School and Burlington Technical Center,
- 5 including new construction (the “Project”); and
- 6 WHEREAS, by resolution adopted July 24, 2023, the City Council approved the issuance of up to an
- 7 aggregate principal amount of One Hundred Thirty Million Dollars (\$130,000,000) of bonds or notes, in one
- 8 or more series, pursuant to the November 8, 2022 voter approval, of which Forty Million Dollars
- 9 (\$40,000,000) in principal amount was to be used to refinance a prior note issued in anticipation of issuance of
- 10 a bond, which bonds were issued on September 13, 2023 as part of the City’s General Obligation Public
- 11 Improvement Bonds, Series 2023A; and
- 12 WHEREAS, by resolution adopted July 15, 2024, the City Council approved the issuance of up to an
- 13 aggregate principal amount of Fifteen Million Dollars (\$15,000,000) of bonds or notes, in one or more series,
- 14 pursuant to the November 8, 2022 voter approval, which bonds were issued on October 8, 2024 as part of the
- 15 City’s General Obligation Public Improvement Bonds, Series 2024A,
- 16 WHEREAS, while the School Department is managed by a Board of School Commissioners, whose
- 17 members are separately elected from the City Council, the City Council is responsible for the issuance of
- 18 bonds for school purposes; and
- 19 WHEREAS, the Board of School Commissioners is required under the City Charter to allocate
- 20 sufficient funds for the payment of the principal and interest due or coming due on City bonds issued for
- 21 school purposes; and
- 22 WHEREAS, the Chair of the Board of School Commissioners has requested that the City Council
- 23 approve the issuance of Fourteen Million Dollars (\$14,000,000) of bonds or notes pursuant to the November
- 24 8, 2022 voter approval, for the Project; and
- 25 WHEREAS, the City Council now wishes to approve the issuance of up to an aggregate principal
- 26 amount of Fourteen Million Dollars (\$14,000,000) of bonds or notes, in one or more series, pursuant to the

AUTHORIZATION FOR SCHOOL DISTRICT CAPITAL IMPROVEMENT BONDS FOR BURLINGTON HIGH SCHOOL – NOVEMBER 8, 2022 VOTER AUTHORIZATION

27 November 8, 2022 voter approval, with the expectation that additional amounts may be issued at later dates,
28 subject to the maximum amount approved by the voters at the November 8, 2022 special meeting of the City;

29 NOW, THEREFORE, BE IT RESOLVED that the City Council has determined that it is necessary to
30 pledge the credit of the City and to issue bonds or notes, in one or more series, in an aggregate principal
31 amount not to exceed Fourteen Million Dollars and 00/100 (\$14,000,000.00) (the “Bonds”), to finance costs of
32 the Project, as approved by the voters at the November 8, 2022 meeting; and

33 BE IT FURTHER RESOLVED that such Bonds may be sold in a private placement, public offering, or
34 negotiated sale with one or more lenders, underwriters or underwriting firms; may be sold and issued with
35 other general obligation bonds or notes approved by the City Council; and, if issued through a negotiated
36 offering, the City may enter into a loan agreement or bond purchase agreement approved as to form by legal
37 counsel with the lender or the underwriter, as the case may be, for such purpose; and

38 BE IT FURTHER RESOLVED that the pledging of the City’s credit for such Bonds is hereby
39 authorized, with the amount of indebtedness and the form of the evidence of indebtedness to be issued, the
40 interest rates, and payment schedule, to be further determined by the Chief Administrative Officer, the
41 Director of Finance, or the Assistant Director of Finance; provided that the true interest cost for the Bonds as
42 determined by the Chief Administrative Officer shall not exceed six and one-half percent (6.50%) per annum;
43 and

44 BE IT FURTHER RESOLVED that in the event that the true interest cost of the Bonds would exceed
45 six and one-half percent (6.50%) per annum, the prior approval of the City’s Board of Finance shall be
46 required; and

47 BE IT FURTHER RESOLVED that the Bonds, when issued and delivered, shall be valid and binding
48 general obligations of the City payable according to the terms and tenor thereof from unlimited *ad valorem*
49 taxes duly assessed on the grand list of all taxable property in the City and from the Burlington School District
50 funds received from the State of Vermont Education Fund; and

51 BE IT FURTHER RESOLVED that the Mayor, the Chief Administrative Officer, the Director of
52 Finance, and the Assistant Director of Finance are, and each one of them is, hereby authorized and directed to
53 prepare one or more official statement(s) of the City, as they deem necessary in the City’s best interest. The
54 Mayor, the Chief Administrative Officer, the Director of Finance, and the Assistant Director of Finance are,
55 and each one of them is, hereby authorized to execute and deliver one or more final official statements and to
56 execute and deliver such agreements approved as to form by legal counsel, including one or more loan
57 agreements or bond purchase agreements with the lender, underwriter or purchaser of the Bonds, certificates

AUTHORIZATION FOR SCHOOL DISTRICT CAPITAL IMPROVEMENT
BONDS FOR BURLINGTON HIGH SCHOOL – NOVEMBER 8, 2022
VOTER AUTHORIZATION

58 as to use of proceeds and all other documents, agreements and instruments as may be necessary or convenient
59 in connection with the issuance of the Bonds; and

60 BE IT FURTHER RESOLVED that if, in the opinion of the Chief Administrative Officer, it is
61 desirable and in the City’s best interest to obtain bond insurance for the Bonds, the Mayor, the Chief
62 Administrative Officer, the Director of Finance, and the Assistant Director of Finance are, and each one of
63 them is, hereby authorized to enter into such agreements and instruments approved as to form by legal counsel
64 with the bond insurer in order to obtain bond insurance for the Bonds; and

65 BE IT FURTHER RESOLVED that, in order to obtain efficiency in the issuance of such Bonds,
66 reduce transaction expenses, and seek the potential opportunity for more favorable interest rates, the Chief
67 Administrative Officer may combine the issuance of the Bonds in one or more series with other bonds or notes
68 as authorized by the City Council for other capital projects.

69

70

71 *TM/Resolutions 2025/Authorization for School District Capital Improvement Bonds for Burlington High School – November 8, 2022 Voter*
72 *Authorization*
73 *10/16/25*

MEMORANDUM

To: Burlington City Council
From: Clare Wool, Chair, Burlington Board of School Commissioners
CC: Nathan Lavery, Executive Director of Finance and Operations
Date: 10/14/2025
Subject: FY26 Bonding Authorization

The purpose of this memorandum is to support Burlington School District's request to execute bonding in the amount of \$19,000,000 as part of the City of Burlington's pending bond issuance.

All proceeds from this issuance are intended to support the BHS/BTC construction project. In the event that any bond proceeds remain unspent at the conclusion of the project, such funds will be used to finance capital improvements, additions, renovations and replacements for school district facilities.

The following is a list of the relevant voter authorizations:

1. \$2 million annual charter-authorized amounts going towards the BHS/BTC project ,
2. \$14 million of the November 2022 voter authorization going towards the BHS/BTC project,
3. \$3 million from the March 2017 voter authorization going towards the BHS/BTC project (note: this exhausts the 2017 authorization).

The Board of School Commissioners' FY26 budget development process included an assessment of expected capital borrowing costs and estimated debt service increases, which were incorporated into the final budget amount adopted by the Board with the understanding that the City of Burlington would conduct the actual borrowing. The Board adopted this budget on January 21, 2025 and the total budget amount was approved by voters on March 4, 2025.

It is on this basis that, as Chair of the Board of School Commissioners, I respectfully request that the City Council issue Nineteen Million Dollars (\$19,000,000) of general obligation bonds.



Clare Wool, Chair of the Board of School Commissioners



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If for submission to Council, are sponsors identified?	N/A	



October 21, 2025

MEMO TO: Mayor Emma Mulvaney-Stanak and Chief Administrative Officer Katherine Schad

FROM: Jordan Mitchell, Town Meeting TV Director of Operations, jmitchell@cctv.org

RE: Town Meeting TV FY25 Update and FY26/Municipality's FY27 Budget Request

Town Meeting TV submits this report to brief the Board of Finance on last fiscal year's operations, hear from the community on how we might better serve your needs, and request an annual municipal contribution in the three amounts as follows:

- *A municipal contribution in the amount of \$30,631 for general Town Meeting TV operations*
- *\$30,000 to Town Meeting TV for production support of ongoing hybrid meeting coverage of 6 Neighborhood Planning Assemblies per month. This represents less than half of the actual cost of services.*
- *\$44,100 to CCTV Productions for additional Burlington municipal meeting coverage*

Introduction: Town Meeting Television was launched by its member communities in September 1990. **Town Meeting TV is operated by CCTV Center for Media & Democracy on behalf of the Chittenden County Government Access Channel Trust.** Town Meeting TV Trustees oversee policy and budget decisions on behalf of the municipalities. Town Meeting TV serves as a community partner to municipalities by providing meeting and community event recording and archiving, technical support for hybrid meetings, hosting candidate forums and election programming, and supporting media education for members of the community.

The City of Burlington is currently represented by Kevin Lumpkin on the Town Meeting TV Trustees. Thank you to Kevin for the expertise and dedication he brings to the Trustees.

Between 10/1/2024 and 9/30/2025, Town Meeting TV produced and supported 1,657 programs for our member communities; 351 of these programs were categorized as municipal coverage.

The **contract between the Trustees and CCTV stipulates** production of 5 meetings per month and at least 1 municipality-specific general program. Municipal officials and the public are invited to inform us of coverage opportunities for community based programming. Last fiscal year, Town Meeting TV **live streamed, recorded, produced, and archived 200 meetings and 130 general programs** for the City of Burlington. Meetings can be brown down as follows:

- 26 City Council
- 25 Board of Finance
- 20 Department (TEUC, other as-requested)
- 65 Neighborhood Planning Assembly (NPA)
- 8 Police Commission
- 21 Development Review Board
- 11 Department of Public Works
- 24 Executive/Mayor's Press Conferences

Town Meeting TV provides coverage of local community events, election candidates and results, legislative updates, and municipal updates. In addition, we offer media education, equipment and studio space for public use, archiving of community content, and technical support for municipalities.

This municipal contribution helps ensure Town Meeting TV can continue to meet community needs for government accessibility, transparency, media literacy, and free speech.

Additional Meeting Coverage: Municipalities may opt to purchase additional meeting coverage or archiving services through CCTV Productions. The current municipal rate for meeting production, including pre-production, field production, live streaming and live titling, post-production, and archiving is \$112/hour. Costs for titling, airing, and archiving recorded meetings conducted without Town Meeting TV operators can also be calculated on a case by case basis.

Reach out to the CCTV Productions team by email at production@cctv.org or by phone at 802-862-3966 x113 to start the conversation and request an estimate.

Town Meeting TV FY25 Report

Town Meeting TV opens the door to local government.

Launched in 1990 to cover municipal events and public issues, Town Meeting TV is Chittenden County's regional government access television channel overseen by municipally appointed representatives from Burlington, South Burlington, Essex, Essex Junction, Williston, Winooski, Colchester, and St. George. Town Meeting TV airs over 100 hours of public meetings, election coverage, and community events each month. [Town Meeting TV](#) is a trusted producer, educational and equipment resource, and community archive of video providing access to local government



and facilitating engagement in local democracy. Town Meeting TV programs are made available on cable channels [Comcast 1087](#), [Burlington Telecom 17, 217, and 317](#), as well as available on demand at www.CH17.TV (with clickable agendas) and both on demand and live streaming at YouTube.com/TownMeetingTV (with clickable agendas and auto-generated captions in multiple languages).

Revenue Sources: Town Meeting TV is funded by a diversity of sources but primarily by the cable subscribers of Comcast and Burlington Telecom (BT). In addition to the requirement on cable companies to set aside channels and “cable capacity”, regional cable subscribers are assessed 5% of their bills for PEG operating and 1.5% for capital costs.

Town Meeting TV’s FY26 budgeted revenue is 66% cable subscribers, 19% municipal revenue, 14% legislative allocation, and 1% other.

Services: With municipal partnership, Town Meeting TV produces, live streams, records, titles, distributes, and archives gavel-to-gavel coverage of municipal meetings, regional events, and educational programs designed to help open the doors of local government, civic life, voter education, and promote public awareness and participation.



wider audience. In most cases, Town Meeting TV's forum is the only event in which all registered candidates appear in front of voters in a fair, congenial, and high quality format.

Meeting community accessibility needs through the addition of a 24/7 captioning service to our cable channels in addition to the auto captioning provided by YouTube's streaming platform. This comes on the heels of an accessibility audit and developing a checklist of ways to meet accessibility needs in the community for our television programs as well as events, outreach, and educational offerings.

Community based programs - Democracy begins in dialogue. Community access TV is the site of many interesting and provocative conversations. From shows on addiction recovery and prevention, education reform, national politics, and local issues, the Town Meeting TV studio (both in person, online, and in the field) provides citizens a space to express and workshop ideas with their community.



Marketing and outreach - Opening the doors to democracy also means connecting community members in a nonpartisan manner to a variety of ideas and content. We excerpt and share meeting highlights such as Mayoral, Councilor, City Manager or Municipal updates, connect local journalists to source material, and help the public make sense of the content that is recorded and archived by the Town Meeting TV field crew. Our outreach is working on behalf of local democracy to encourage engagement and greater understanding. We are here to work with your municipal communications team.



Media education for school groups, individuals, visiting dignitaries, and local organizations (e.g., CCV, UVM, Champlain, local high schools) is a crucial part of the Town Meeting TV civic engagement work. Helping uncover the media making process and engaging students with local civic leaders through internships and volunteering are foundation to the work of community media. We are



developing the next generation of field producers and editors, as well as introducing young people to how local government functions and why it is important. Through one on one design, media making cohorts, tours, and learning sessions, we deliver high quality media making and civic education on behalf of our member communities.

An accessible web presence - Town Meeting TV's website connects visitors to more than 50,000 pieces of archival content. This gateway to community content, both present and historic, connects municipal officials, journalists, activists, researchers and the general public to community video content. The Town Meeting TV website is moving to a new platform that will allow municipalities to more easily embed municipal content on their own home pages.

Advocacy for public access - Town Meeting TV works closely with its colleagues in the Vermont Access Network (VAN) to advocate for the replacement of declining cable revenue. The Legislature has recognized our work as an "essential service" and in FY25 funded VAN's work in the Vermont base budget through a grant administered by the Secretary of State's office.



CCTV Center for Media and Democracy administers the services of Town Meeting TV on behalf of the Trustees. This relationship allows Town Meeting TV to be housed alongside other community based projects such as the CCTV Archives, and CCTV Productions. These relationships allow us to share expertise, community connections, and carry the work we do together even farther.

Town Meeting TV cable channels reach 30,000 cable subscribers within Chittenden County. The archive of all content is available online, and applicable content is distributed statewide as well as nationwide. The Town Meeting TV website averages about 1,000 hits per month, and the Town Meeting TV YouTube channel maintains about 7,000 subscribers. People watch meetings and events, share them, and most importantly report that they can find them when needed.

Thank you for your support. We are happy to respond to any questions, comments, and are always open to ways that we can serve you better.

Town Meeting Television Trustees
BUDGET NARRATIVE FY26
October 2025 – September 2026

Town Meeting TV is a trusted producer, educational and equipment resource, and community archive of video providing access to local government and facilitating engagement in local democracy. Town Meeting TV is Chittenden County's regional government access TV channel overseen by municipally appointed representatives from Burlington, South Burlington, Essex, Essex Junction, Williston, Winooski, Colchester, and St. George. Town Meeting TV programs are made available on Comcast 1087, Burlington Telecom 17 & 217, as well as at www.CH17.TV.

Launched in 1990 to cover municipal events and public issues, Town Meeting TV airs more than 100 hours of public meetings, election coverage, and community events each month on Comcast and Burlington Telecom and www.ch17.tv. *Town Meeting TV opens the door to local government.*

1. OVERVIEW

Funding Formulas: Comcast and Burlington Telecom (BT) are required by the VT Public Utility Commission to set aside 5% of their gross revenue on cable television to support PEG Access Management Organization (AMO) operating costs. The cable companies are also required to pay a portion, that is negotiated through contract discussion with individual AMOs, for capital funding.

This funding is passed on to the cable subscriber in the form of a "PEG fee" on each subscriber's bill.

In Chittenden County, this 5% is shared and intended to be split evenly between Town Meeting TV and The Media Factory.

Town Meeting TV receives 1.66% of the cable operators' (Comcast and Burlington Telecom) annual gross revenue. The funding level for Town Meeting TV capital from Comcast is set at .6% of gross revenue and BT is set at .5%

The Media Factory receives 3.34% (1.66% and 1.68%) The .02% percentage difference that they receive is used to support Town Meeting TV's portion of our shared use tech core at 208 Flynn Avenue.

Burlington Telecom and Comcast's fiscal year runs from 1 January through 31 December. BT provides operating and capital funding to Town Meeting TV in September of each year. Comcast pays Town Meeting TV on a quarterly basis. Cable revenue projections for FY26 are based on past performance. Cable subscriber revenue continues to decline. For our FY24 to FY25 we saw BT revenue drop by 6.4% and Comcast revenue drop by 8%.

FY26 total revenue is estimated at **\$689,774**. Our expenses are estimated to be **\$758,231**. This leaves a shortfall of \$39,254, an increase from FY25's \$23,500 shortfall, to be made up through cost management and fundraising efforts by CCTV Center for Media and Democracy. CCTV does a lot of the lift to find the grants, legislative work, municipal services, and fee for service work to offset the costs to the Trustees to meet community needs for meeting, event, and community coverage. This includes web work, marketing, interns, outreach.

2. REVENUE SUMMARY

FY26 total revenue is estimated at **\$689,774**.

- The estimated revenue received from **Comcast** is projected to be **\$329.6K** for operating and **\$112.9K** for capital, this projects a 8% decline in cable subscriber revenue.
- **Burlington Telecom's** total contribution is estimated to be **\$19.9K** for operating and **\$6K** for capital. This is a 6.4% decline from the previous year.
- **Municipal revenue in** FY26 is based on past contributions, will come from municipalities FY26 budgets, and is set at **\$133,508**. This includes a **5%** increase for most municipalities and the contribution from Burlington to support specific additional production support for Neighborhood Planning Assembly live streaming and hybrid meetings.
- The Vermont Legislature included \$1.35M in base funding as part of the Secretary of State's budget. This is an increase from the \$1M received in FY25. Distribution of these funds to the 23 Access Management Organizations is based on a formula that takes into account cable revenue loss, municipalities served, and a minimum base distribution. Town Meeting TV expects to receive **\$99.1K** from that allocation.
- The Interest/Capital Gains is estimated to be **\$2,000**, which is a decrease from \$2,500 in FY25. We will keep an eye on the investment with the Vermont Community Foundation (VCF) to determine if that continues to be the best way to shepherd these funds.

3. EXPENSE SUMMARY

The total Town Meeting TV FY26 expenses are projected to be **\$740,561**. **This breaks down to** operating expenses of **\$654,964** and capital **\$85,597**.

Operating Expenses are estimated to be **\$654,964** and include:

- **CCTV Base contract** in the amount of **\$617,281** (a 3% increase from FY25) for Town Meeting TV operations which includes staff labor for administration, production, internship support, archiving, media education, and marketing (about 7.2 FTE) as well as overall administrative, insurance, professional development, and site costs.
- The other line items on the operating expense budget include **\$5K** in legal fees, **\$1K** in investment fees, **\$4K** to pay accounting/bookkeeping expenses, **\$9.8K** for the annual audit, **\$6K** in dues to the VT Access Network and the Alliance for Community Media, **\$3K** to support ad buys and marketing costs on behalf of Town Meeting TV, and **\$3K** to support advocacy work CCTV has done with VAN to secure legislative support for PEG media.
- This year, Nonprofit Insurance Alliance combined coverage for Property and the Directors and Office's into one 'Business Insurance' policy. Previously, the Trustees covered the Director's and Officer's insurance, while CCTV covered the Property insurance. For FY26, the Trustees will bear the combined cost. This expense is estimated in the budget to be **\$2.3K**.

Capital Expenses are estimated to be **\$85,597** Town Meeting TV's annual Capital budget is based on priority areas recommended by Staff and approved by the Trustees. The FY26 Capital recommendations include hardware, supplies, network infrastructure, dues and subs, and technical contractors.

Equipment Total: Equipment expenses are estimated to be **\$39,680**. The costs largely reflect the annual replacement of cameras, computers and large scale equipment due to extended use.

- **Production \$2,000:** Purchase of a field production camera, and a community producer camera.
- **Office/Network Equipment \$1,300:** Potential New Staff Computer
- **Studio/Control Room \$28,250:** Purchase of additional, modern studio furniture, three studio cameras, and a replacement of studio laptop.
- **IT/Network/Tech Core Equipment: \$7,680:** This covers AWS storage backup, cloud computing on Digital Ocean, our web video storage on Google Bucket, and file sharing in Dropbox.

Capital Support Total: \$45,917 Capital Support constitutes the bulk of the capital budget, as most technical solutions are software and consultant supported. The FY26 budget includes (see Capital Detail for the complete list):

- **Tech Core Rental \$7,150:** Supports our portion of the shared tech core space at 208 Flynn providing climate controlled and secure infrastructure

space for our playback and network storage. Town Meeting TV is connected to this space via high speed dark fiber provided by Burlington Telecom.

- **Streaming and Web Development \$10,000:** Second half of the payment to Grand Rapids Community Media center for website development.
- **Repair and Maintenance: \$6,250** Includes 30 hours of contracted project support with Clearbearing and general equipment repairs and maintenance.
- **Service Contracts \$14,710:** Clear Bearing for Network infrastructure support and monitoring, contract reduction expected due to build down of technical infrastructure and an annual payment to Grand Rapids for website management and updating.
- **Equipment Supplies and Production \$3,914:** Smaller purchases to support the video production workflow.
- **Equipment Supplies Office \$700:** Switches, office chairs, etc.
- **Subscriptions and Licenses \$3,193:** Supporting fees for subscriptions that allow for video workflow including Dropbox, Adobe Creative Cloud, Parsec, Zoom, Teradek and cell service connections. These subscriptions are audited annually.

CCTV CONTRACT breaks down as follows:

Wages and Benefits total \$517,598. The Trustees contract with CCTV to provide labor and resources that fulfill agreements for field production, equipment and studio use, and media education. The largest expense for CCTV is labor, which covers meeting and event coverage, studio production, post-production, marketing and distribution of recorded materials, and the supervision of interns and volunteers. In addition, CCTV manages human resources and facilities costs, including staff support and operational overhead. These include:

- **Payroll: \$363,052**
- **Health/Dental/Vision Insurance: \$123,116**
- **Payroll Taxes (includes UI & CCTC): \$29,904**

Non-Wage Costs specific to TMTV is \$60,430. Site costs are shared by all CCTV projects and administration and include:

- **Site Costs \$42,035.98:** Rent, utilities, and specific Trustees package liability.
- **Communications \$2,631:** Phone, postage, online services.
- **Repair & Maintenance of Facilities \$861:** HVAC and other routine maintenance.
- **Meals/Travel/Professional Development \$3,705:** Includes training dues and expenses, conferences, coaching, and employee support for leadership and skills development. We anticipate limited staff travel to conferences in FY26.
- **Subcontracting \$10,500:** This includes \$3K to support CCTV's advocacy efforts with VAN on behalf of the Trustees, ad buys for the election year,

talent for election nights, and paid media internships. The internship expenses may be offset by grant support.

CCTV Management for TMTV in FY26 is estimated at \$123,467. Administrative costs are calculated as a percentage of each program in CCTV by labor. In FY26 Town Meeting TV labor represents 55% of all of the organization's labor. The administrative costs are at 18% of the revenue.

Administration includes employee management and HR, project development, legal and administrative tasks, budgeting, reporting, and compliance.

4. FUND BALANCE

The Town Meeting TV assets & liabilities as of July 31, 2025 are \$200,600 or 3.3 months of operating revenue. These assets include \$107K in the VCF reserve fund, in addition to current receivables and liabilities. As a matter of sound fiscal practice, the Town Meeting TV Trustees have established a 3-6 month set-aside of its annual budget in order to address cash flow issues and emergencies. Monthly expenses in FY26 are projected to be **\$61,713, this is comparable to FY25.** We do not recommend using your reserve to cover operating or capital costs this year.

5. FUTURE PLANNING

Town Meeting TV was established on PEG fees to provide a wide range of Government Access services for cable subscribers on cable television. Over the years those services have grown and the community we serve is not only cable subscribers, but the general public, journalists, municipal partners among others. The challenge continues to diversify revenue sources to meet the requirements and needs of these community partners from hybrid support to live streaming and archiving of content. We will meet this challenge by continued work with our municipal partners and legislative advocacy as well as CCTV support of philanthropic fundraising and fee for service work.



MEMORANDUM

To: Burlington Board of Finance and City Council

From: Darren Springer, General Manager
Emily Stebbins-Wheelock, CFO and Manager of Strategy & Innovation

Date: October 21, 2025

Subject: Proposed Changes to BED Miscellaneous Service Fees

The Burlington Electric Department (BED) is seeking City Council approval to file an updated “Miscellaneous Service Fees” tariff with the Vermont Public Utility Commission. An earlier version of this proposal was approved by the Council in June 2024; we have made further updates since then and therefore are returning to seek Council approval again.

Background

Miscellaneous Services include utility services undertaken in support of or in response to a request by a unique customer. BED charges distinct fees for these services on a per-occurrence basis under a PUC-approved Miscellaneous Service Fees tariff that is appended to BED’s Operating Guidelines. BED charges separately for these services in accordance with the utility rate-making principle of “cost causer pays;” because only certain customers request or require such services, it would not be just or fair to assign the cost of these services to all customers through electric service rates.

BED’s Miscellaneous Service Fees have not been updated since the current fees became effective July 1, 2010. The current fees were based on FY 2009 costs and were developed prior to BED’s deployment of advanced metering infrastructure (AMI), which enabled remote connection and disconnection of meters, among other functionality.

Internal Fee Review

BED began a review of its Miscellaneous Service Fees in 2023 at the Electric Commission’s request and has updated that analysis in the past month. The current fee proposal reflects the following changes from the fees currently in effect:

- Reviewed business processes associated with all miscellaneous service fees, including degree and nature of AMI involvement
- Reviewed and updated all time and personnel involvement with each service
- Updated labor rates to FY26 levels
- Updated labor overhead rate to FY25 actual
- Updated minimum call and overtime rates per current IBEW contract

- Updated vehicle rates
- Updated materials costs as of September 2025
- Updated stores clearing rate for materials to FY25 actual
- Analyzed initial service performed for new vs. returning customers
(In 2023, 46% were new customers and 54% returning customers)
- Analyzed depreciation on AMI-related assets (meters, servers, software)

Proposed Changes

The proposed fee changes are outlined in the attached table, which shows the current and proposed fee title, description, and rate. The proposed changes include increases and decreases in rates, addition and elimination of fees, and wording changes, as follows:

- The Initial Service fee would decrease from \$30 and split into two categories, \$5 for Returning Customers and \$15 for New Customers.
- The Initial Service-after-hours fee would decrease from \$195 to \$109.
- The Reconnection fee would increase from \$20 to \$26 and be charged for any reconnection, not just reconnection following a disconnection for non-payment.
- The Reconnection-after hours fee would decrease from \$195 to \$130, be charged for any reconnection (not just reconnection following a disconnection for non-payment), and be charged instead of the initial service fee when reconnection accompanies a request for service.
- The Temporary Service fee would increase from \$535 to \$882.
- The Returned Check fee would increase from \$10 to \$19.
- The Meter Removal/Replacement fee would increase from \$95 to \$165. Title and description changes are proposed that would make the fee more generic and more equitable by allowing BED to charge for meter pulls that are performed for reasons other than siding work.
- The Collection fee would be eliminated.
- BED is proposing that the fees currently titled “customer assistance call” be retitled as “power problem investigation-customer responsibility” based on feedback from customers that indicated that the current label is confusing. BED is also proposing updates to the description of these fees.
 - The Power Problem Investigation-Customer Responsibility fee would increase from \$28 to \$156.
 - The Power Problem Investigation-Customer Responsibility-after hours fee would increase from \$195 to \$562.
- BED is proposing new fees for on-site disconnect/reconnect assistance, to include both single-meter and multi-meter with and without lineworker assistance with underground service. BED performed approximately 275 of these services last year, and currently does not charge for them. Typically, these requests are driven by some work being performed on the customer’s electrical service to expand, upgrade, or bring it up to code, install solar, do work on the roof, or other similar situations.
 - Disconnect/Reconnect - Single-Meter fee would be \$577
 - Disconnect/Reconnect - Single-Meter, Underground fee would be \$796

- Disconnect/Reconnect - Multi-Meter fee would be \$666
- Disconnect/Reconnect - Multi-Meter, Underground fee would be \$885.

Customer Communication

BED has updated its website to include information on the proposed fees, posted a message about the proposed changes on Front Porch Forum, and has included a message about the proposed changes on customer bills.

Estimated Revenue Impact

BED estimates that the net effect of the proposed fee changes will be an increase in annual fee revenues of \$38,346, as shown in the table below.

	Test Year - FY 2024			Adjusted Test Year			Difference
	Existing rates	Billing Determinant	Revenues	Proposed rates	Billing Determinant	Revenues	
Initial Service Fee	\$ 30.00	5,698	\$ 170,940	\$ -	-	\$ -	\$ (170,940)
Initial Service Fee-Returning Customer	\$ -	-	\$ -	\$ 5.00	3,077	\$ 15,385	\$ 15,385
Initial Service Fee-New Customer	\$ -	-	\$ -	\$ 15.00	2,621	\$ 39,316	\$ 39,316
Initial Service Fee-After-Hours	\$ 195.00	11	\$ 2,145	\$ 109.00	11	\$ 1,199	\$ (946)
Reconnection	\$ 20.00	175	\$ 3,500	\$ 26.00	175	\$ 4,550	\$ 1,050
Reconnection-After-Hours	\$ 195.00	5	\$ 975	\$ 130.00	5	\$ 650	\$ (325)
Temporary Service	\$ 535.00	0	\$ -	\$ 882.00	0	\$ -	\$ -
Returned Check	\$ 10.00	186	\$ 1,860	\$ 19.00	186	\$ 3,534	\$ 1,674
Meter Removal/Replacement	\$ 95.00	7	\$ 670	\$ 165.00	7	\$ 1,164	\$ 494
Collection	\$ 20.00	0	\$ -	\$ -	0	\$ -	\$ -
Power Problem Investigation-Customer Responsibility (Customer Assistance Call)	\$ 28.00	0	\$ -	\$ 156.00	0	\$ -	\$ -
Responsibility (Customer Assistance Call)-After-Hours	\$ 195.00	0	\$ -	\$ 562.00	0	\$ -	\$ -
				Test Year - CY 2024			
				Adjusted Test Year			
Disco/Reco Single-Meter	\$ -	125	\$ -	\$ 577.00	125	\$ 72,125	\$ 72,125
Disco/Reco Single-Meter with Lineworker Assistance	\$ -	56	\$ -	\$ 796.00	56	\$ 44,576	\$ 44,576
Disco/Reco Multi-Meter	\$ -	42	\$ -	\$ 666.00	42	\$ 27,972	\$ 27,972
Disco/Reco Multi-Meter with Lineworker Assistance	\$ -	9	\$ -	\$ 885.00	9	\$ 7,965	\$ 7,965
		6,314	\$ 180,090		6,314	\$ 218,435	\$ 38,346

The largest drivers of revenue change are the reduction in the initial service fees and the addition of the new disconnect/reconnect fees. Initial service fee revenue is expected to decrease by approximately \$117,000 per year, but the new disconnect/reconnect fees are expected to increase revenue by approximately \$152,000 per year.

Electric Commission Review

The Electric Commission unanimously recommended the attached fee proposal to the City Council by a vote at its October 8, 2025 meeting.

PUC Review and Approval Process

After BED files the requested fee changes with the PUC, members of the Burlington community will have the opportunity to provide comment at public hearings and through written testimony during the PUC’s thorough rate review process, which is expected to span at least several months. The rates charged to customers of Vermont public utilities must be reviewed and will be approved only if the PUC determines that the proposed rates are just and reasonable. The new fees will not go into effect unless and until

approved by the PUC. The public can learn more about PUC rate case procedures by visiting https://puc.vermont.gov/sites/psbnew/files/doc_library/rate-case-procedures.pdf.

BED staff will be present at the Board of Finance meeting on October 21 and the City Council meeting on November 3, 2025 to answer any questions Councilors may have.

Motions

Board of Finance:

To approve and recommend the City Council authorize the General Manager of the Burlington Electric Department or their designee to file tariff amendments and supporting documents with the Vermont Public Utility Commission requesting changes in Burlington Electric Department's Miscellaneous Service Fees as proposed.

City Council:

To approve and authorize the General Manager of the Burlington Electric Department or their designee to file tariff amendments and supporting documents with the Vermont Public Utility Commission requesting changes in Burlington Electric Department's Miscellaneous Service Fees as proposed.

**Burlington Electric Department
Miscellaneous Service Fees Proposal**

Current Fee Title	Current Description	Current Fees as of 9/23/12	Proposed Fees	Proposed Fee Title	Proposed Description
Initial Service	Charged to a customer whenever the electric service is put in that customer's name at a service location	30.00	\$5.00	Initial Service-Returning Customer	Charged to <u>returning</u> customers, <u>including standing orders</u> , whenever the electric service is put in that customer's name at a service location
Initial Service	Charged to a customer whenever the electric service is put in that customer's name at a service location	30.00	\$15.00	Initial Service-New Customer	Charged to a customer <u>new to BED's service territory</u> whenever the electric service is put in that customer's name at a service location
Initial Service Fee - minimum call	Charged whenever BED personnel are called in to work during non-working hours to respond to a customer request for initial service	195.00	\$109.00	Initial Service-after-hours	Charged whenever BED personnel are called in to work <u>outside of business hours</u> to respond to a customer request for initial service
Reconnection	Charged to restore service to a customer who has been disconnected for non-payment of electric services	20.00	\$26.00	Reconnection	Charged to restore service remotely to a customer <u>whose service</u> has been disconnected; <u>this fee will be charged instead of the initial service fee when reconnection accompanies a request for service.</u>
Reconnection - minimum call	Charged whenever BED personnel are called in to work during non-working hours for the purpose of responding to a customer request for reconnection	195.00	\$130.00	Reconnection - after-hours	Charged to restore service remotely <u>outside of business hours</u> to a customer whose service has been disconnected; <u>this fee will be charged instead of the initial service fee when reconnection accompanies a request for service.</u>
Temporary Service	Normally for construction purposes; charged when temporary service of single phase, 240 volt, 100 amp characteristics or less is installed at a site	535.00	\$882.00		No change
Returned Check	Charged each time a check is not honored by the bank	10.00	\$19.00		Charged each time a check <u>or ACH/electronic payment</u> is not honored by the bank
Meter Removal/Replacement for Siding	Charged for removal and replacement of up to two meters at a service location for purpose of installing siding materials on a building	95.00	\$165.00	Meter Removal/Replacement for Siding	Charged for removal and replacement of up to two meters <u>during business hours</u> at a service location for purpose of installing siding materials on a building
Collection	Charged when BED personnel collects funds at a customer's service location. For example, if funds are collected during the course of the disconnection process this fee will be charged versus a disconnection fee.	20.00	\$0.00	NA	NA - recommend eliminating fee and charging only reconnect fee to restore power after payment
Customer Assistance Call	Charged whenever BED personnel are requested to visit a customer's service location and the problem is determined to be the customer's responsibility	28.00	\$156.00	Power Problem Investigation-Customer Responsibility	Charged whenever a <u>customer asks</u> BED personnel to visit <u>the customer's service location to investigate a problem with the customer's power</u> and the problem is determined to be the customer's responsibility. <u>BED will not perform work on equipment that is the customer's responsibility during a Power Problem Investigation.</u>

Current Fee Title	Current Description	Current Fees as of 9/23/12	Proposed Fees	Proposed Fee Title	Proposed Description
Customer Assistance Call - minimum ca	Charged whenever BED personnel are called in to work during non-working hours for the purpose of responding to a customer request for assistance and the problem is determined to be customer's responsibility	195.00	\$562.00	Power Problem Investigation- Customer Responsibility-after-hours	Charged whenever <u>a customer asks BED personnel are called in to visit the customer's service location work outside of business hours to investigate a problem with the customer's power for the purpose of responding to a customer request for assistance and the problem is determined to be customer's responsibility. BED will not perform work on equipment that is the customer's responsibility during a Power Problem Investigation.</u>
NA - new proposed fee	NA - new proposed fee	NA	\$577.00	Disconnect/Reconnect - Single-Meter	A Disconnect/Reconnect-Single-Meter Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's single-meter property during business hours to perform a disconnection and/or reconnection of electric service where no BED engineering work is required.
NA - new proposed fee	NA - new proposed fee	NA	\$796.00	Disconnect/Reconnect - Single-Meter, Underground	A Disconnect/Reconnect-Single-Meter, Underground Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's single-meter property during business hours to perform a disconnection and/or reconnection of electric service that requires BED lineworkers to pull underground service but does not require BED engineering work.
NA - new proposed fee	NA - new proposed fee	NA	\$666.00	Disconnect/Reconnect - Multi-Meter	A Disconnect/Reconnect-Multi-Meter Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's multi-meter property during business hours to perform a disconnection and/or reconnection of electric service where no BED engineering work is required.
NA - new proposed fee	NA - new proposed fee	NA	\$885.00	Disconnect/Reconnect - Multi-Meter, Underground	A Disconnect/Reconnect-Multi-Meter, Underground Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's multi-meter property during business hours to perform a disconnection and/or reconnection of electric service that requires BED lineworkers to pull underground service but does not require BED engineering work.

**BURLINGTON ELECTRIC DEPARTMENT
MISCELLANEOUS SERVICE FEES TARIFF**

Initial Service Fee- Returning Customer :	\$ 30.00 <u>5.00</u>
Initial Service Fee-New Customer :	<u>\$15.00</u>
Initial Service Fee- Minimum Call <u>After-hours</u> :	\$ 195.00 <u>109.00</u>
Reconnection:	\$ 20.00 <u>26.00</u>
Reconnection- Minimum Call <u>After-hours</u> :	\$ 195 <u>130.00</u>
Temporary Service:	\$ 535.00 <u>882.00</u>
Returned Checks:	\$ 10.00 <u>19.00</u>
Meter Removal/Replacement- For Siding :	\$ 95.00 <u>165.00</u>
Collection :	<u>\$ 20.00</u>
Customer Assistance Call <u>Power Problem Investigation-Customer Responsibility</u> :	\$ 28.00 <u>156.00</u>
Minimum Call-Customer Assistance <u>Power Problem Investigation-Customer Responsibility-After-hours</u> :	\$ 195.00 <u>562.00</u>
<u>Disconnect/Reconnect - Single-Meter</u> :	<u>\$577.00</u>
<u>Disconnect/Reconnect - Single-Meter, Underground</u> :	<u>\$796.00</u>
<u>Disconnect/Reconnect - Multi-Meter</u> :	<u>\$666.00</u>
<u>Disconnect/Reconnect - Multi-Meter, Underground</u> :	<u>\$885.00</u>

Explanation of Miscellaneous Services

INITIAL SERVICE-RETURNING CUSTOMER

The Initial Service Fee-~~Returning Customer~~ will be charged to returning a customers, including standing orders, whenever the electric service is put in that customer's name at a service location.

To clarify, this does mean that a current tenant moving from one service location in the city to another will pay this fee every time they move. Landlords who have electric service placed in their name between tenants will pay this Initial Service Fee regardless of the number of days that the service is in their name.

Effective: January 1, 2012

Approved: _____ Date: _____

**BURLINGTON ELECTRIC DEPARTMENT
MISCELLANEOUS SERVICE FEES TARIFF**

INITIAL SERVICE - NEW CUSTOMER

The Initial Service Fee-New Customer will be charged to a customer new to BED's service territory whenever the electric service is put in that customer's name at a service location.

INITIAL SERVICE - AFTER-HOURS Minimum Call- Initial Service

An Initial Service-After-hours Minimum Call Fee will be charged whenever BED personnel are called in to work outside of business hours during non-working hours for the purpose of responding to respond to a customer request for Initial Service.

When a customer requests initiation of electric service, when BED personnel are not on duty, the customer will be informed of the Initial Service-Minimum Call-After-hours Fee. This charge must be accepted and agreed upon by the party responsible for payment prior to calling in personnel to respond to the customer's request.

RECONNECTION

A Reconnection Fee will be charged to restore service remotely to a customer ~~who~~ whose service has been disconnected; this fee will be charged instead of the Initial Service Fee when reconnection accompanies a request for service. for non-payment of electric services.

Minimum Call--Reconnection RECONNECTION-AFTER-HOURS

A Reconnection-After-hours Fee will be charged to restore service remotely outside of business hours to a customer whose service has been disconnected; this fee will be charged instead of the Initial Service Fee when reconnection accompanies a request for service.

~~A Minimum Call Fee will be charged whenever BED personnel are called in to work during non-working hours for the purpose of responding to a customer request for Reconnection.~~

When a customer requests reconnection of electric service, when BED personnel are not on duty, the customer will be informed of the Reconnection-After-hours Minimum Call Fee. This charge must be accepted and agreed upon by the party responsible for payment prior to calling in personnel to respond to the customer's request.

TEMPORARY SERVICE

The Temporary Service Fee, normally for construction purposes, will be charged when temporary service of single phase, 240 volt, 100 amp characteristics or less is installed at a site.

For all other temporary services, charges will be based on estimated cost.

Effective: January 1, 2012

Approved: _____ Date: _____

BURLINGTON ELECTRIC DEPARTMENT MISCELLANEOUS SERVICE FEES TARIFF

RETURNED CHECKS

The Returned Check Fee will be charged each time a check [or ACH/electronic payment](#) is not honored by the bank.

METER REMOVAL/REPLACEMENT ~~FOR SIDING~~

A Meter Removal and Replacement ~~for Siding~~ Fee will be charged for the removal and replacement of up to two meters [during business hours](#) at a service location ~~for the purpose of installing siding materials on a building~~.

Three or more meters at a service location must be done by the property owner's certified electrician.

COLLECTION

~~The Collection Fee will be charged when BED personnel collects funds at a customer's service location.~~

~~Typically, BED personnel do not visit customer service locations for collection purposes; however during the course of the disconnection process often funds are collected. Instead of a Disconnection Fee, customers will be charged a Collection Fee.~~

~~CUSTOMER ASSISTANCE CALL POWER PROBLEM INVESTIGATION-CUSTOMER RESPONSIBILITY~~

~~A Customer Assistance Call Power Problem Investigation-Customer Responsibility Fee will be charged whenever [a customer asks](#) BED personnel ~~are requested~~ to visit ~~a the~~ customer's service location [to investigate a problem with the customer's power](#) and the problem is determined to be the customer's responsibility. ~~BED will not perform work on equipment that is the customer's responsibility during a Power Problem Investigation.~~~~

~~Minimum Call-Customer Assistance POWER PROBLEM INVESTIGATION- CUSTOMER RESPONSIBILITY-AFTER HOURS~~

~~A Power Problem Investigation-Customer Responsibility-After-hours Fee will be charged whenever a customer asks BED personnel to visit the customer's service location outside of business hours [to investigate a problem with the customer's power and the problem is determined to be the customer's responsibility](#). BED will not perform work on equipment that is the customer's responsibility during a Power Problem Investigation. ~~If the problem is determined to be the customer's responsibility, a Minimum Call Fee will be charged whenever BED personnel are called in to work during non-working hours for the purpose of responding to a customer request for~~~~

Effective: [January 1, 2012](#)

Approved: _____ Date: _____

BURLINGTON ELECTRIC DEPARTMENT MISCELLANEOUS SERVICE FEES TARIFF

~~Customer Assistance.~~

When a customer requests ~~customer~~ assistance regarding their electric service, when BED personnel are not on duty, the customer will be informed of the ~~Minimum Call~~~~After-hours~~ Fee. This charge must be accepted and agreed upon by the party responsible for payment prior to calling in personnel to respond to the customer's request.

DISCONNECT/RECONNECT-SINGLE-METER

A Disconnect/Reconnect-Single-Meter Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's single-meter property during business hours to perform a disconnection and/or reconnection of electric service where no BED engineering work is required.

DISCONNECT/RECONNECT-SINGLE-METER, UNDERGROUND

A Disconnect/Reconnect-Single-Meter, Underground Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's single-meter property during business hours to perform a disconnection and/or reconnection of electric service where no BED engineering work is required that also requires BED to pull underground service.

DISCONNECT/RECONNECT- MULTI-METER

A Disconnect/Reconnect-Multi-Meter Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's multi-meter property during business hours to perform a disconnection and/or reconnection of electric service where no BED engineering work is required.

DISCONNECT/RECONNECT- MULTI-METER, UNDERGROUND

A Disconnect/Reconnect -Multi-Meter, Underground Fee will be charged when a customer or their contractor asks BED field personnel to visit the customer's multi-meter property during business hours to perform a disconnection and/or reconnection of electric service where no BED engineering work is required that also requires BED lineworkers to pull underground service.

ADVANCED METER OPT-OUT

Customers may choose to have BED provide a meter that does not: (1) use radio or other wireless means for two-way communication between the meter and BED; and (2) records no more information than was recorded by meters in use for billing customers under the applicable BED tariff prior to January 1, 2012. These customers shall notify BED of this opt-out choice by telephone or in person at BED's offices at 585 Pine Street. Customers may choose to have such a meter

Effective: January 1, 2012

Approved: _____ Date: _____

**BURLINGTON ELECTRIC DEPARTMENT
MISCELLANEOUS SERVICE FEES TARIFF**

installed at a later date, or if such a meter has been installed, removed at a later date, in either case at no charge during normal business hours by notifying BED by telephone or in person at BED's offices at 585 Pine Street.

Effective: [January 1, 2012](#)

Approved: _____ Date: _____

