



TOWN OF RICHMOND

RICHMOND TOWN CENTER

203 Bridge Street, P.O. Box 285

Richmond, Vermont 05477



December 27, 2016

INTERLOCAL AGREEMENT
BETWEEN TOWN OF RICHMOND,
THE LAND OWNERS IN THE GATEWAY
AND RIVERVIEW COMMONS MOBILE HOME PARK OWNER

I. STATEMENTS OF FACT

A. The Park Owner is the owner of lands and premises in the Town, on which the Park Owner operates a 148 site mobile home park known as Riverview Commons Mobile Home Park (hereafter, together with any mobile home sites additional to the existing 148 sites, and the conceptual Senior Housing Park Expansion, if implemented, collectively the “Park”).

B. The owners of land, commercial buildings and/or homes in the Town Gateway Commercial Zoning District are hereafter, collectively referred to as the “Gateway”.

C. The Town pursuant to the powers granted under 24 VSA Chapter 101 and other applicable state statutes, owns and operates a municipal wastewater disposal system (the “Municipal Disposal System”) and, pursuant to the powers granted under 4 VSA Chapter 89 and other applicable state statutes, owns and operates a municipal water supply system (the “Municipal Water System”). Under the Town Charter, 24 VSA Appendix, Chapter 143, §103, the Town has all the powers granted to towns by state law, and all the implied powers necessary to carry into execution all the powers granted.

D. Under the Town Charter, 24 VSA Appendix, Chapter 143, §902, the Richmond Water and Sewer Commissioners (the “Commissioners”) manage and operate

the Municipal Disposal System and the Municipal Water System, including establishing rates and charges for water and sewer disposal services.

E. At the Annual 2015 Town Meeting, the Town voters approved bonded indebtedness in the amount of Two Million Five Hundred Thousand Dollars (\$2,500,000), subject to reduction by the receipt of available state and federal grants-in-aid (together with any temporary loans authorized by 24 VSA §1773 and notes and bonds authorized by 24 VSA §1771, the “Indebtedness”), for the purpose of financing the cost of extending municipal water and sewer lines westerly along the Gateway and as far as the Park (the “Municipal Line Extensions”).

F. Connection of the Gateway and Park to the Municipal Disposal System and the Municipal Water System would serve the important public purpose of protecting public health and the environment.

G. The conceptual Senior Housing Park Expansion has not been presented or approved, however, if approved by the appropriate municipal authority then it would serve the important public purpose of facilitating housing for senior citizens in the Town, including affordable housing and on site supportive services.

H. Expanding the numbers of Users of the Municipal Disposal System and the Municipal Water System would serve the important public purpose of lowering and stabilizing Rates for all Users.

I. The parties desire to enter into this Interlocal Agreement for the purpose of constructing the improvements, and related matter as provided herein, pertaining to the Existing Park Area and the conceptual Senior Housing Park Expansion Area. Matters concerning financing and the establishment of water and sewer rates and charges shall be

established at a later time, prior to commencement of the construction of the lines to connect the Park, subject to a Connection Agreement.

II. CONDITIONS

A. The New Users in the Park and the Gateway, referred to as Phases 1, 2 and 3 in the Preliminary Engineering Report for this project submitted by Green Mountain Engineering, will pay hookup fees and water and sewer rates that cover the costs of the expansion of the lines. These costs include debt service and Operations and Maintenance fees for the new lines, as well as contributions towards the cost of other infrastructure in the systems from which the New Users will also benefit. The Current Users on the system will not pay for any of the cost of the expansion.

B. Hookup fees, debt service apportionment and Operations and Maintenance charges (collectively known as Rates) will be determined once the final financing is established, and engineering and construction estimates have been completed.

C. This agreement is contingent upon the ability of the Town to obtain favorable financing to cover the costs of completing the project. Costs in excess of the Town's debt authorization, or high interest charges may result in the inability of the Town of complete construction if not resolved.

D. Construction of the lines to the Park (i.e. Phase 3) shall only proceed subsequent to the execution of a Connection Agreement, signed by the Park owner and the Town of Richmond (or their legal representatives).