

City Manager..... (802) 334-5136
City Clerk/Treasurer 334-2112
Public Works/Parks 334-2124
Zoning Adm./Assessor 334-6992
Recreation 334-6345
Fax..... 334-5632



City of Newport
222 Main Street
Newport, Vermont 05855
www.newportvermont.org

Newport City Council Meeting
Council Meeting Agenda
Monday, January 22, 2024, beginning at 6:30 p.m.
Newport City Council Room

Google Meet joining info
Video call link: <https://meet.google.com/mmy-ncex-hek>
Or dial: (US) +1 252-376-1458 PIN: 922 766 527#

City Council: Linda Joy Sullivan, Mayor
John Wilson, Council President
Kevin Charboneau
Chris Vachon
Clark Curtis

James D. Johnson, City Clerk/Treasurer

1. Call the Council Meeting to Order
2. Additions/Deletions to the Agenda
3. Bonding Elected Officials and Employees
4. Approve the minutes of January 8, 2024 and January 15, 2024
5. Comments by Members of the Public
6. Candidate Sign Policy - Anticipated VOTE
7. Annual Warning Approval & Signature
8. Casella SWIP MOU Extension - Anticipated VOTE
9. Fire Extrication Lease - Anticipated VOTE
10. Cell Tower - Potential Executive session (1 V.S.A. § 313(a)(1)(A) & (F))
11. Interview of Potential Candidate(s) for Fire Chief - Potential Executive Session (1 V.S.A. § 313(a)(3))
12. New Business
13. Old Business
14. Set next meeting: Regularly Scheduled Council Meeting: February 5, 2024
15. Adjourn

Newport City Council Meeting Participation Guidelines

Newport City Council meetings are for the purpose of allowing Council members to conduct City business. Distinct from public hearings or town meetings, City Council meetings are held in public, but are not meetings of the public. City Council meetings are the only time the City Council members have to discuss, deliberate and decide upon City matters. In an effort to conduct orderly and efficient meetings, the Mayor kindly requests your cooperation and compliance with the following guidelines:

1. Please be respectful of each other, Council members, city staff, and the public.
2. Please raise your hand to be recognized by the Mayor. Once recognized, please state your name and address or affiliation.
3. Please address only the Mayor and not members of the public, staff, or presenters.
4. Please abide by any time limits. Time limits will be used to ensure everyone is heard and that there is sufficient time for the Council to complete their agenda within a reasonable timeframe.
5. The Mayor will make a reasonable effort to allow everyone to speak once before speakers address the Council a second time per the limited 2 minute timeline adopted on January 23, 2017.
6. Once public comment has been heard, discussion will be limited to the City Council members.
7. Please do not interrupt or mock other speakers or otherwise exhibit disruptive behavior during the City Council meeting.
8. Please do not repeat the points made by others, except to indicate agreement or disagreement with other views.
9. Please use the hallway for side conversations. It is difficult to hear speaker remarks when side conversations are occurring in the Council Chamber.
10. Presentations to the Council are not open to public comment. However, per the policy adopted on December 21, 2015, matters on the agenda requiring a vote are open to public comment immediately prior to the Council vote.
11. Individuals who do not abide by these procedures will be asked to leave the Council Chamber.

Council Minutes**January 8, 2024**

A duly warned meeting of the Newport City Council was held on Monday, January 8, 2024, in the council room in the Newport Municipal Building. Present were Mayor Linda Sullivan, Council President John Wilson, Council members Kevin Charboneau, Chris Vachon and Clark Curtis, City Clerk/Treasurer James Johnson, Comptroller Rebecca Therrien, Police Chief Travis Bingham, Public Works Director Tom Bernier, Recreation Director Mike Brown, Zoning Administrator Francis Cheney III, Mark Hinton, Chuck Newton, Andrew Touchette, Jason Booth, members of the Press and Public.

Mayor Sullivan called the meeting to order at 6:35 PM.

Additions/Deletions to the Agenda

None

Approval of Minutes

Mr. Vachon moved to approve the minutes of December 18, 2023. Seconded by Mr. Wilson, motion carried unanimously.

Mr. Vachon moved to approve the minutes of December 27, 2023. Seconded by Mr. Curtis, motion carried unanimously.

Comments by the Public

Jennifer Hopkins conceded her two minutes to Jennifer Bjurling.

Jennifer Bjurling commented on the bonding of the mayor and audit discrepancies.

Pam Ladds commented that filming for NEK-TV is a public service.

Wildflower Way

Janice Luce gave a presentation on the pump station at Wildflower Way (attached)

Aldrich & Elliott Water Tower Engineering Agreement (attached)

Mr. Vachon moved to approve the Engineering agreement amendment with Aldrich & Elliott. Seconded by Mr. Wilson, motion carried unanimously.

Fire Truck & New Equipment Approval

Mr. Vachon moved to approve the final contract change order for the new Fire Truck and authorize the mayor to sign the documents. Seconded by Mr. Wilson, motion carried unanimously.

Discover Newport Grant Program Funds

Mr. Curtis moved that the City request that the remaining Discover Newport Funds, in an amount up to \$40,000, be provided directly to the City of Newport for the purpose of strategic planning for redevelopment of the cities downtown and Main Street Development site, which was left vacant by the failed EB-5 projects. And all receipts for expenses related to such planning shall be provided to the Agency of Commerce and Community Development for reimbursement. Seconded by Mr. Wilson, motion carried unanimously.

Budget Review

Mr. Vachon moved to review the proposed 2024-25 budgets. Seconded by Mr. Charboneau, motion carried unanimously.

The council continued to review the proposed 2024-2025 budgets.

New Business

Mayor Sullivan noted that she has had a meeting with the Commissioner of Housing

Mayor Sullivan commented on the Cappello vs City litigation.

Mayor Sullivan noted that a policy regarding campaign signs will be on the future agenda.

Old Business

Mr. Curtis requested that sidewalk handicap accesses were cleared after each snowstorm.

Mr. Charboneau moved to approve six Special Event Permits for Eden Ice and Shelbourn Vineyards. Seconded by Mr. Vachon, motion carried unanimously.

Mr. Charboneau moved to approve Tobacco Licenses for 802 Vapor, LLC. Seconded by Mr. Wilson, motion carried unanimously.

Mayor Sullivan noted that Tax Map updating will be on the next agenda.

Mayor Sullivan noted the process for a City Manager is moving forward.

DRAFT

Next Meeting Date

January 22, 2024, at 6:30 PM.

Adjournment

Mr. Charboneau moved to adjourn at 8:50 PM. Seconded by Mr. Vachon, motion carried unanimously.

Attested _____ This _____ Day of January 2024

Mayor

To: The City Council of Newport, VT
From: The Residents of Wildflower Way, Newport, VT.
Subject: Wildflower Way Pumping Station and Water Main System

January 3, 2024

We, the below listed residents of Wildflower Way in the City of Newport, VT, respectfully submit this letter to the Newport City Council on this date of January 3, 2024, in advance of our attendance at the upcoming January 8 Council meeting, regarding the wastewater pumping station and water main system on Wildflower Way that serves our small neighborhood, a subdivision of eight properties, upon which seven families presently reside.

Our subdivision was developed in the 1990s under an Act 250 Permit covering the overall development of the Memphremagog Views Subdivision. Our pumping station was permitted as part of this development in 1990 and completed by 1992.

For reasons unknown to us now the roads of the Memphremagog Views Subdivision, and the pumping station for Wildflower Way, were not held to and developed to the official standards of city roads and pumping stations as they existed then and now. We think that it odd that this was not a requirement at the time, given that we are a normal type of subdivision of adjacent small home lots located in the City, and an official part of one of the largest new contiguous subdivisions of the City in recent decades.

Moreover, some members of our community say they recall informal representations being made to them over the years that the City would, or at least would likely, be taking over the pumping station and/or Wildflower Way at some point in the future.

Since the time our subdivision was completed in fact, the City has taken over some formerly private infrastructure in other subdivisions. The roadways in the upper part of the Memphremagog Views Subdivision were taken over, for example, apparently after being brought up to code after the fact. The residents of the upper part hence now enjoy both the services of road plowing and wastewater services completely covered by the City taxes they pay. We, on the other hand, are obligated to continue to fully pay for our own road maintenance and plowing, and for all of the maintenance and electricity consumption of our pumping station.

We are also aware that the City has similarly facilitated other subdivisions over the years in lowering their wastewater burden. For example, the Lakemont Road Subdivision was originally constructed with septic tanks, which was obviously a dubious proposition in the first place given the proximity of those tanks to the Lake. It is our understanding that the City subsequently, and quite appropriately, constructed a pumping station for that community to remedy these environmental concerns, which had the added benefit of removing the financial and logistical burden on those homes of having to periodically empty those tanks.

We believe that our current pumping station is actually in a similar situation to those original septic systems in the Lakemont subdivision: Because it is not maintained by the City, and because it may be lacking various features that the City requires for its pumping stations, there is a significantly greater chance of an adverse incident occurring, such as an accidental overflow, that would have significant environmental impacts, as well as very deleterious effects on both the residents of our neighborhood

and those around us. And similarly, as already mentioned, we are subject to an additional financial burden of maintaining and powering our system, even though we pay our regular share of the City's wastewater processing costs.

These concerns, and the expectation as well that the City would eventually take over the station, have led our neighborhood in the past to request that the City consider taking over the pumping station, for example, in 2010. At that time the City had estimated a cost of this at \$26,200, although it was not clear if the improvements associated with that estimate were really enough to meet City requirements. Official records show that City officials had then agreed to look into the issue further, but nothing else appears in the record after that.

In 2020 it became apparent that certain equipment in our pumping station had finally reached the end of its expected lifetime, and we, the residents of Wildflower Way, collectively paid \$14,249 out of pocket to have it reequipped. It is now functioning well, such as it is.

Our concerns remain, however - in particular the prospect of having a small and professionally unequipped and essentially random and changing group of homeowners being required to maintain a wastewater pumping facility into perpetuity. This just doesn't make sense to us, and also strikes us as simply being unfair.

We therefore respectfully request the following things of the City Council:

First, we request that an account be provided to us as to how other private infrastructure in the City has been taken over and/or superseded with new installations in the past. As the foregoing demonstrates, we have attempted to determine this for ourselves, but we are not satisfied we have a full understanding yet.

Secondly, we request that the Council resolve that a thorough technical evaluation of our pumping station be conducted to definitively determine what the City would require to take it over. We have already recently made a similar request verbally to the City Water Department (specifically to Mr. Jason Hermann), but we are requesting that the Council officially resolve to have this carried out as well to ensure coordination between the Council and the Water Department in these matters.

Thirdly, we request that, once this evaluation is in hand, the Council formally consider taking over Wildflower Way's pumping station, and have the City bear the cost of making any required upgrades. We ask that this consideration be made not *only* on the basis of what is officially required in the current code and current budgetary constraints, but also how this request relates to and may be responded to in light of:

1. Upgrades and infrastructure take overs made in the past in other Newport City subdivisions, with an eye towards fairness and equity to all.
2. The possible environmental benefits to the Newport community as a whole from upgrading and taking over maintenance of our station.
3. The general perspective of evolving the City of Newport towards a fully integrated and properly functioning modern city, with a sound and properly managed infrastructure.

Finally, we request that the City clarify for us what the current status of our water main (water supply system) and associated fire hydrant is. For example: Are these public or private? What are the City's obligations for these presently? What is the Wildflower Way community responsible for? Does the status of the water main bear on the status or functioning of the wastewater system?

Thank you very much for considering these requests.

Sincerely yours,

The below-listed Residents and Property Owners of Wildflower Way, Newport, VT:

- Adam Brault: chevyltz08@yahoo.com
- Douglas Flint & Lynn Leimer: dflintms@yahoo.com, qnekproductions@yahoo.com
- Amy Gillespie: amyrg44@gmail.com
- Robert Green: greeney34@gmail.com
- Ben & Janice Luce: benluce137@gmail.com, janice_a_luce@yahoo.com
- Darlene Potvin: darlpotvin@gmail.com,
- David & Denna Rondeau: David.Rondeau@outlook.com, denna1687@gmail.com
- Kayla and Jeremy Wright: kaylamarie_305@hotmail.com

This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated August 15, 2020.

AMENDMENT TO OWNER-ENGINEER AGREEMENT

Amendment No. 3

The Effective Date of this Amendment is: 1/15/2024

Background Data

Effective Date of Owner-Engineer Agreement: August 15, 2020

Owner: City of Newport

Engineer: Aldrich + Elliott, PC

Project: Eastside Water Storage Tank

Nature of Amendment:

- ☒ Additional Services to be performed by Engineer
- ☐ ~~Modifications to services of Engineer~~
- ☐ ~~Modifications to responsibilities of Owner~~
- ☒ Modifications of payment to Engineer
- ☐ ~~Modifications to time(s) for rendering services~~
- ☐ ~~Modifications to other terms and conditions of the Agreement~~

Description of Modifications:

INTRODUCTION

This scope of services under Amendment No. 3 includes Construction Phase Services for the East Side Water Tower and Booster Pump Station, Contract No. 2.

EAST SIDE WATER TOWER AND BOOSTER PUMP STATION CONSTRUCTION PHASE SERVICES

Construction Phase Services are added by this amendment in accordance with *Section A1.05 Construction Phase* in the original agreement. The phase includes both Construction Administration and Limited On-site Observation.

The Construction Administration (CA) portion of this phase covers the entire construction duration of 365 calendar days and includes but is not limited to submittal processing, clarifications, partial pay requisition

review, change order review and preparation, contractor/owner coordination, monthly meetings, site meetings, substantial and final completions, and warranty efforts.

Full-time on-site Resident Project Representative portion of this phase includes observation of all active construction while the contractor is on-site (refer to the original agreement). The RPR efforts in this scope of services is limited to 2,080 manhours.

East Side Water Tower and Booster PS Construction Administration Total Fee: \$111,600.00 Lump Sum

East Side Water Tower and Booster PS Resident Project Rep. Total Fee: \$250,100.00 Not-to-Exceed

EAST SIDE WATER STORAGE TANK AND BOOSTER PUMP STATION SPECIAL SERVICES

Special services are added by this amendment in accordance with *Section A1.06 Post-construction Phase* in the original agreement. This phase includes preparation of record drawings and tie records, preparation of an O&M document for the booster pump station and tank as applicable, attendance at start-up services and owner training provided by suppliers and vendors.

East Side Water Storage Tank and Booster Pump Station Special Serv. Total Fee: \$25,600.00 Lump Sum.

Agreement Summary:

Original Agreement amount:	\$ 143,300
Net change for prior Amendments:	\$ 70,500
This Amendment amount:	\$ 387,300
Adjusted Agreement amount:	\$ 601,100

Change in time for services (days or date, as applicable): 465 calendar days to include the 1 year warranty for the water tower and booster pump station.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect.

OWNER:

ENGINEER:

City of Newport, Vermont

Aldrich + Elliott, PC

By: _____
Print
name: _____

By: _____
Print
name: Jason R. Booth, PE

Title: _____

Title: Vice-President

Date Signed: _____

Date Signed: 12/18/2023

Exhibit K – Amendment to Owner-Engineer Agreement.

EJCDC® E-500, Agreement Between Owner and Engineer for Professional Services.

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and American Society of Civil Engineers. All rights reserved.

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Special Council Meeting

DRAFT

January 15, 2024

A duly warned Special City Council Meeting was held on Monday, January 15, 2024, in the council room in the Newport Municipal Building. Present were Mayor Linda Sullivan, Council President John Wilson, council members Kevin Charboneau, Clark Curtis and Chris Vachon, City Clerk/treasurer James Johnson, Comptroller Rebecca Therrien, Police Chief Travis Bingham, Public Works Director Tom Bernier, Recreation Director Michael Brown, members of the Press and Public.

Mayor Sullivan called the meeting to order at 10:04 AM.

Mayor Sullivan read a statement and played a short video about Dr. Martin Luther King Jr. and that the Holiday should be observed by the city.

Additions/Deletions to the Agenda

Mr. Cutris moved to add the following to the agenda. That Dr. Martin Luther King Day be observed as a non-working city holiday in Newport with paid time off contingent on acceptance by the union. Seconded by Mr. Vachon, motion carried. Wilson, Curtis, and Vachon in favor, Charboneau against.

Mr. Vachon moved that Martin Luther King Day be observed as a non-working city holiday in Newport contingent with paid time off pending acceptance by the Union. Seconded by Mr. Wilson, motion carried. Wilson, Vachon, Curtis in favor, Charboneau against.

Comments by the Public

Jennifer Bjurling commented on alleged remarks made by members of the public and asked if there is evidence the remarks were made.

Anne Chiarello commented on formatting the budget so the public can understand it. She thanked the council for making Martin Luther King Day a city holiday.

Pam Ladds Thanked the council for making Martin Luther King Day a city holiday.

Melissa Pettersson commented on the previous council meeting on Martin Luther King Day and why the holiday was not part of the union negotiations.

Budget Review

Mr. Vachon moved to discuss the proposed 2024-25 budget. Seconded by Mr. Charbonneau, motion carried unanimously.

Mr. Vachon moved to approve the 2024-25 proposed budget as presented with changes. Seconded by Mr. Wilson, motion carried. Wilson, Charboneau, Vachon in favor, Curtis against.

Mr. Vachon moved to approve the Sewer and Water Budget. Seconded by Mr. Wilson, motion carried. Wilson, Vachon, Charboneau in favor, Curtis against.

New Business

Mr. Charboneau moved to approve a Special Event Permit for Northern Cigars and Kingdom Fermentory Inc. Seconded by Mr. Charboneau motion carried unanimously.

Old Business

None

Adjournment

Mr. Charboneau moved to adjourn at 11:27 AM. Seconded by Mr. Vachon, motion carried unanimously.

Attested _____ **This** _____ **Day of January 2024**

_____ **Mayor**

CITY OF NEWPORT

POLICY FOR SIGNS ON CITY PROPERTY

1. Private signs of any nature are prohibited from being displayed on City owned property such as Gardner Park, Pomerleau Park, Prouty Beach, municipally owned buildings and City dock area.
2. (a) Notwithstanding Section 1 of this policy, private signs no larger than eight square feet may be displayed during the six weeks prior to any election in which City voters are participating at the following City-owned property locations:
 - (i) The bottom of East Main Street and Union Street.
 - (ii) Western Avenue and Mount Vernon Street near the sidewalk.
 - (iii) Prouty Drive and Union Street near the swamp.(b) Any signs displayed under Section 2(a) shall be removed from City owned property within three days after the election.
3. For the purposes of this policy, the untraveled portion of the City's road rights-of-way are not considered City-owned property.
4. For safety reasons, no signs are allowed at any time in the medians of the State's or the City's road rights-of-way.

AGREEMENT FOR SERVICES

THIS AGREEMENT (the "Agreement") is made this 17th day November, 2021 by and between The City of Newport, Vermont, ("Newport") with its principal place of business at 100 Main Street and Casella Waste Management, Inc., with its principal place of business at 25 Greens Hill Lane, Rutland, VT 05701 ("Casella").

RECITALS

Casella is in the business of drafting Solid Waste Implementation Plans (a "SWIP") and has the proper level of expertise to perform the services described in Schedule A for Newport (the "Services").

Newport desires to contract with Casella and Casella desires to contract with Newport to provide the Services on the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Performance of Services.**

Casella agrees to perform the Services in a professional and workmanlike manner and in compliance with all applicable law, ordinances, rules, regulations and permits.

Newport shall have the right to inspect, review and monitor Casella's performance. If the performance is inadequate, substandard, or is otherwise not in compliance with this Agreement, then Newport shall give written notice of such breach to Casella and Casella shall have seven (7) business days following receipt of such notice to cure such breach. If such breach is not cured within such period, Newport may terminate this Agreement and pursue such other remedies at law as Newport may deem necessary.

2. **Compensation.** Newport agrees to pay Casella for the Services performed by Casella at the rate specified in Schedule A.

3. **Term.** This Agreement shall commence on **January 1, 2022** and shall extend for a period of one (1) year unless otherwise terminated pursuant to the provisions of this Agreement. The Agreement may be extended for additional one (1) year terms upon mutual agreement of the parties.

4. **Confidentiality.** Casella recognizes and agrees that any information that it may obtain during the course of performing the Services concerning the operations, plans and procedures of Newport is confidential and proprietary information. Casella agrees not to use or disclose such confidential and proprietary information without the prior written consent of Newport, except that Casella and its Employees may use such information disclosed to it by Newport in order to perform the Services.

5. Insurance and Indemnity.

Insurance. Casella agrees to keep the following insurance in full force and effect during the full force and effect of this Agreement:

1. Worker's Compensation (This coverage is required if Company employs individuals on either a full or part-time basis to perform the Services.)
 - Coverage A - statutory
 - Coverage B - \$500,000/500,000/500,000
2. General Liability
 - \$1,000,000 each occurrence
 - \$2,000,000 general aggregate

The insurance shall be maintained continuously throughout the term of this Agreement and shall provide for thirty (30) days prior written notice to Newport before termination, cancellation or material change in coverage.

Indemnification. Casella agrees to indemnify, hold harmless and defend Newport from and against any and all liabilities, suits, actions, legal proceedings, claims, demands, damages, costs and expenses and attorney's fees arising from, or claimed to arise from any act or omission of Casella, its agents or its employees, in the performance of the Services.

6. Miscellaneous.

a. **Independent Contractor.** Casella is an independent contractor, and as such shall have and maintain complete control over all of its employees, agents and operations. Neither Casella nor anyone employed by it shall be, represent, act, support or be deemed to be an employee, agent or representative of Newport.

b. **Notices.** Any notice, request, report or other document required or permitted under this Agreement shall be in writing and sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the party to be notified at the addresses appearing at the beginning of this Agreement (or such other address as such party may hereafter designate by written notice) and shall be effective upon receipt.

c. **Applicable Law.** This Agreement shall be governed by the laws of the State of Vermont.

d. **Entire Agreement.** This Agreement (including any schedules attached hereto) constitutes the entire agreement and understanding between the parties with respect to the matters contained herein, and supersedes any prior agreement and understandings relating to the subject matter hereof. This Agreement may be modified or amended by a written instrument executed by both parties hereto.

e. Assignment. This Agreement may not be assigned in whole or in part by one party without the prior written consent of the other party, except that this provision shall not prevent the assignment by Casella to any subsidiary, parent or affiliated company. If this Agreement is assigned as provided above, it shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

f. Severability. If any provision of this Agreement is or becomes or is deemed invalid, illegal or unenforceable under the applicable laws or regulations of any jurisdiction, such provision will be deemed amended to the extent necessary to confirm to applicable laws or regulations or, if it cannot be so amended without materially altering the intention of the parties, it will be stricken, and the remainder of this Agreement shall remain in full force and effect.

IN WITNESS HEREOF, the parties have executed this Agreement on the date first above written.

CITY OF NEWPORT

By: [Signature]

Name: [Signature]

Title: City Manager

November 12, 2020

CASELLA WASTE MANAGEMENT, INC.

By: Michael Casella

Name: Michael Casella

Title: Market Area Manager

SCHEDULE A - PROPOSAL

Description of Services to be Provided:

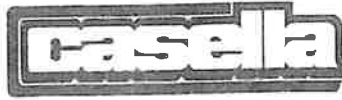
Newport City

SWIP Program Management



Management Category	Description
Reporting	Annually, by July 1st, Casella will complete the required reporting on behalf of the City in Re-TRAC.
Website Development and Management	A dedicated website for the City's Solid Waste Innovation/Reduction Plan to be created and maintained by Casella. The site will contain the A-Z Guide, SWIP, HHW information and other pertinent information relating to Act 146 and Casella.
Business Outreach	Monthly multi-media business outreach model focusing on a different topic each month per ANR requirements. Emails, website, targeted social media advertising, direct print mail, newspaper and radio mediums used throughout the year to ensure maximum reach. See SWIP Outreach Schedule.
School Outreach	School outreach tailored to the specific age ranges of the City's schools, encompassing ANR required topics. Additional food waste separation education and support to staff and students.
HHW Collection Events	Coordinate with Clean Harbors for scheduling and holding 2 events annually at NEWSVT Landfill. Cost share based on resident participation in the event. Casella will place ads in local newspapers and websites.
Community Events	Storage and technical support on waste reduction at community events. As requested by City, Casella to attend community events and provide education/demonstration on various recycling and reuse topics.
Landfill Special Events	Casella to maintain a list of collection location for batteries, mercury containing devices, propane tanks, electronics, paint, tires, used oil and white goods. List updated annually or more frequently based on changes to outlets and legislation.
Food and Textile Donation	Casella to maintain a list for food and textile donation options locally. List updated annually or more frequently based on changes to outlets and legislation.
Leaf and Yard Debris	Casella to maintain a list for leaf and yard debris drop-off locations and update annually or as needed.
Dedicated Contact	A dedicated contact within Casella who is available to answer questions, coordinate with City officials and handles all reporting, outreach, website maintenance and events. This SWIP program manager is available to attend Selectboard meetings and provide updates as requested by the City.
SWIP Grant Application	Casella to provide assistance to the City in completing and filing the Annual SWIP Grant Application.

Annual Fee: \$4,000.00



December 22, 2022

City of Newport
Laura Dolgin, City Manager
222 Main Street, Newport, VT 05855

Re: Extension of Agreement for Services

Dear Laura,

I am writing in regard to the Agreement for Services (the "Agreement") between Casella Waste Management, Inc. ("Casella") and the City of Newport, Vermont (the "City"), dated November 10, 2021. Both parties agree to extend the Agreement for an additional one (1) year term pursuant to Section 3 of the Agreement.

Please sign below and return to me at your convenience to acknowledge your agreement of the extension.

Sincerely,

Casella Waste Management, Inc.

A handwritten signature in black ink, appearing to read "Kelly Gleason".

Kelly Gleason
Environmental Analyst

ACCEPTED, ACKNOWLEDGED AND AGREED TO BY:

A handwritten signature in black ink, appearing to read "Laura F. Dolgin".
January 3, 2022
Authorized Person



January 2, 2024

City of Newport
Rebeca Therrien, Comptroller/Programs Director
222 Main Street, Newport, VT 555

Re: Extension of Agreement for Services

Dear Rebecca

I am writing in regard to the Agreement for Services (the "Agreement") between Casella Waste Management, Inc. ("Casella") and the City of Newport, Vermont (the "City"), dated November 10, 2021 and Extension of Agreement dated January 3, 2023. Both parties agree to extend the Agreement for an additional one (1) year term pursuant to Section 3 of the Agreement.

Please sign below and return to me at your convenience to acknowledge your agreement of the extension.

Sincerely,

Casella Waste Management, Inc.

A handwritten signature in dark ink, appearing to read "Kelly Gleason", written over a horizontal line.

Kelly Gleason
Environmental Analyst

ACCEPTED, ACKNOWLEDGED AND AGREED TO BY:

Authorized Person

DOCUMENT CHECKLIST

PLEASE EXECUTE ONE (1) ORIGINAL SET OF ALL DOCUMENTS
(NO FRONT & BACK COPIES, PLEASE)

RETURN ALL ORIGINALS TO:
MUNICIPAL LEASING CONSULTANTS
ROBIN GIDNEY
7 OLD TOWN LANE
GRAND ISLE, VT 05458
802-372-8435

- ☐ **Notice and Acknowledgment of Assignment**
- ☐ **Master Tax-Exempt Lease/Purchase Agreement** – This document must be executed in the presence of a witness/attestor. The attesting witness does not have to be a notary, just present at the time of execution.
- ☐ **Property Schedule No. 1** - This document must be executed in the presence of a witness/attestor. The attesting witness does not have to be a notary, just present at the time of execution.
- ☐ **Property Description and Payment Schedule – Exhibit 1**
- ☐ **Lessee's Counsel's Opinion – Exhibit 2.** This exhibit will need to be executed by your attorney, dated and placed on their letterhead. Your attorney will likely want to review the agreement prior to executing this opinion.
- ☐ **Lessee's General and Incumbency Certificate – Exhibit 3.** Include in your return package a copy of the board minutes or resolution for our files.
- ☐ **Payment of Proceeds Instructions – Exhibit 4.** Lessee to make as many copies as are needed to pay all vendors for this transaction and fill out with their payment information. Execute signature block at the bottom of the page.
 - ☐ **IRS Form W-9.** This document should be completed for each vendor being paid. Please make copies and fill out as many as are needed.
- ☐ **Acceptance Certificate – Exhibit 5.** The date that all equipment is delivered, installed and accepted is the date that should be placed on the "DATE" line. If moneys are being deposited into escrow this exhibit should be held and returned with the final disbursement from the escrow account.
- ☐ **Bank Qualification and Arbitrage Rebate – Exhibit 6.**
- ☐ **Notification of Tax Treatment** – Please provide your State of Sales/Use tax Exemption Certificate.
- ☐ **Form 8038-G** – Blank form and instructions provided to Lessee. Please consult your CPA, local legal or bond counsel to fill out. Please provide a copy for closing and mail the original to the IRS at the following address (pre-paid UPS label will be provided upon request):

Internal Revenue Service Center
Department of Treasury
1973 Rulon White Blvd
Ogden, UT 84201-1000
- ☐ **Insurance Authorization and Verification** – To be filled out by the Purchaser and sent to your insurance carrier. A valid insurance certificate, or self-insurance letter if the Purchaser self-insures, is required prior to funding.
- ☐ **Invoice for First Payment** - The first payment must be received for funding to occur.

NOTICE AND ACKNOWLEDGMENT OF SALE OF RENTAL PAYMENTS AND ASSIGNMENT OF LEASE

Municipal Leasing Consultants and City of Newport ("Lessee") have entered into a Master Tax-Exempt Lease/Purchase Agreement, dated January 19, 2024 and related Property Schedule No. 1 dated January 19, 2024 (together, the "Agreement") under which Lessee has, or will have prior to its execution hereof, leased Property (the "Property") described in Exhibit A to the Agreement.

Lessee is hereby notified that Municipal Leasing Consultants has assigned its interest in the Agreement, in the leased Property, and in the Rental Payments and all other amounts provided for under the Agreement.

Lessee is hereby directed to pay any and all rental payments and other amounts due with respect to which Municipal Leasing Consultants's Purchaser ("Purchaser") renders an invoice, at the address set out immediately below or as otherwise directed in said invoice:

"PURCHASER"

U.S. Bancorp Government Leasing and Finance, Inc.
PO Box 959067
St. Louis, MO 63179-9067

By signing this Notice and Acknowledgment, Lessee agrees that it will pay all amounts due under the Agreement as directed in the invoice without any set-off or deduction whatsoever notwithstanding any defect in, damage to, or requisition of any property leased under the Agreement, any other similar or dissimilar event, any defense, set-off, counterclaim or recoupment arising out of any claim against Municipal Leasing Consultants or Purchaser.

Lessee further agrees that Purchaser has not assumed any duties under the Agreement or made any warranties whatsoever as to the Agreement or the Property. Lessee agrees that no change may be made to the Agreement without the prior written consent of the Purchaser.

In signing this, Lessee warrants that its representations and warranties under the Agreement are true and correct on the date hereof.

Lessor: Municipal Leasing Consultants	Lessee: City of Newport
By:	By:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:

Master Tax-Exempt Lease/Purchase Agreement

Between: Municipal Leasing Consultants (the "Lessor")
7 Old Town Lane
Grand Isle, VT 05458

And: City of Newport (the "Lessee")
222 Main Street
Newport, VT 05855
Attention: Rebecca Therrien
Telephone: 802-334-5136

Dated: January 19, 2024

ARTICLE I DEFINITIONS

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"**Agreement**" means this Master Tax-Exempt Lease/Purchase Agreement, including all exhibits and schedules attached hereto.

"**Code**" is defined in Section 3.01(f).

"**Commencement Date**" is the date when the term of a Property Schedule and Lessee's obligation to pay rent thereunder commences, which date shall be set forth in such Property Schedule.

"**Event of Default**" is defined in Section 13.01.

"**Lease Payments**" means the Lease Payments payable by Lessee under Article VI of this Agreement and each Property Schedule, as set forth in each Property Schedule.

"**Lease Payment Dates**" means the Lease Payment dates for the Lease Payments as set forth in each Property Schedule.

"**Lease Term**" means, with respect to a Property Schedule, the Original Term and all Renewal Terms. The Lease Term for each Property Schedule executed hereunder shall be set forth in such Property Schedule, as provided in Section 4.02.

"**Lessee**" means the entity identified as such in the first paragraph hereof, and its permitted successors and assigns.

"**Lessor**" means the entity identified as such in the first paragraph hereof, and its successors and assigns.

"**Nonappropriation Event**" is defined in Section 6.06.

"**Original Term**" means, with respect to a Property Schedule, the period from the Commencement Date until the end of the budget year of Lessee in effect at the Commencement Date.

"**Property**" means, collectively, the property lease/purchased pursuant to this Agreement, and with respect to each Property Schedule, the property described in such Property Schedule, and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article IX.

"**Property Schedule**" means a Property Schedule in the form attached hereto for Property Schedule 1. Subsequent Property Schedules pursuant to this Agreement shall be numbered consecutively, beginning with Property Schedule 2.

"**Purchase Price**" means the amount that Lessee may, in its discretion, pay to Lessor to purchase the Property under a Property Schedule, as provided in Section 11.01 and as set forth in the Property Schedule.

"**Renewal Terms**" means the renewal terms of a Property Schedule, each having a duration of one year and a term coextensive with Lessee's budget year.

"**State**" means the state where Lessee is located.

"**Vendor**" means the manufacturer or contractor of the Property as well as the agents or dealers of the manufacturer or contractor from whom Lessor or Lessee purchased or is purchasing all or any portion of the Property.

ARTICLE II

2.01 Property Schedules Separate Financings. Each Property Schedule executed and delivered under this Agreement shall be a separate financing, distinct from other Property Schedules. Without limiting the foregoing, upon the occurrence of an Event of Default or a Nonappropriation Event with respect to a Property Schedule, Lessor shall have the rights and remedies specified herein with respect to the Property financed and the Lease Payments payable under such Property Schedule, and except as expressly provided in Section 12.02 below, Lessor shall have no rights or remedies with respect to Property financed or Lease Payments payable under any other Property Schedules unless an Event of Default or Nonappropriation Event has also occurred under such other Property Schedules.

ARTICLE III

3.01 Covenants of Lessee. As of the Commencement Date for each Property Schedule executed and delivered hereunder, Lessee shall be deemed to represent, covenant and warrant for the benefit of Lessor as follows:

- (a) Lessee is a public body corporate and politic duly organized and existing under the constitution and laws of the State with full power and authority to enter into this Agreement and the Property Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder.
- (b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic. To the extent Lessee should merge with another entity under the laws of the State, Lessee agrees that as a condition to such merger it will require that the remaining or resulting entity shall be assigned Lessee's rights and shall assume Lessee's obligations hereunder.
- (c) Lessee has been duly authorized to execute and deliver this Agreement and the Property Schedule by proper action by its governing body, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and the Property Schedule, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the

Property Schedule and the acquisition by Lessee of the Property thereunder. On or before the Commencement Date for the Property Schedule, Lessee shall cause to be delivered an opinion of counsel in substantially the form attached to the form of the Property Schedule as Exhibit 2.

- (d) During the Lease Term for the Property Schedule, the Property thereunder will perform and will be used by Lessee only for the purpose of performing essential governmental uses and public functions within the permissible scope of Lessee's authority.
- (e) Lessee will provide Lessor with current financial statements, budgets and proof of appropriation for the ensuing budget year and other financial information relating to the ability of Lessee to continue this Agreement and the Property Schedule in such form and containing such information as may be requested by Lessor.
- (f) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including Sections 103 and 148 thereof, and the regulations of the Treasury Department thereunder, from time to time proposed or in effect, in order to maintain the excludability from gross income for federal income tax purposes of the interest component of Lease Payments under the Property Schedule and will not use or permit the use of the Property in such a manner as to cause a Property Schedule to be a "private activity bond" under Section 141(a) of the Code. Lessee covenants and agrees that it will use the proceeds of the Property Schedule as soon as practicable and with all reasonable dispatch for the purpose for which the Property Schedule has been entered into, and that no part of the proceeds of the Property Schedule shall be invested in any securities, obligations or other investments except for the temporary period pending such use nor used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Agreement, would have caused any portion of the Property Schedule to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the regulations of the Treasury Department thereunder proposed or in effect at the time of such use and applicable to obligations issued on the date of issuance of the Property Schedule.
- (g) The execution, delivery and performance of this Agreement and the Property Schedule and compliance with the provisions hereof and thereof by Lessee does not conflict with or result in a violation or breach or constitute a default under, any resolution, bond, agreement, indenture, mortgage, note, lease or other instrument to which Lessee is a party or by which it is bound by any law or any rule, regulation, order or decree of any court, governmental agency or body having jurisdiction over Lessee or any of its activities or properties resulting in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any property or assets of Lessee or to which it is subject.
- (h) Lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior notice to Lessor.

ARTICLE IV

4.01 Lease of Property. On the Commencement Date of each Property Schedule executed hereunder, Lessor will be deemed to demise, lease and let to Lessee, and Lessee will be deemed to rent, lease and hire from Lessor, the Property described in such Property Schedule, in accordance with this Agreement and such Property Schedule, for the Lease Term set forth in such Property Schedule.

4.02 Lease Term. The term of each Property Schedule shall commence on the Commencement Date set forth therein and shall terminate upon payment of the final Lease Payment set forth in such Property Schedule and the exercise of the Purchase Option described in Section 11.01, unless terminated sooner pursuant to this Agreement or the Property Schedule.

4.03 Delivery, Installation and Acceptance of Property. Lessee shall order the Property, shall cause the Property to be delivered and installed at the locations specified in the applicable Property Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. To the extent funds are deposited under an escrow agreement or trust agreement for the acquisition of the Property, such funds shall be disbursed as provided therein. When the Property described in such Property Schedule is delivered, installed and accepted as to Lessee's specifications, Lessee shall immediately accept the Property and evidence said acceptance by executing and delivering to Lessor the Acceptance Certificate substantially in the form attached to the Property Schedule.

ARTICLE V

5.01 Enjoyment of Property. Lessee shall during the Lease Term peaceably and quietly have, hold and enjoy the Property, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement. Lessor shall not interfere with such quiet use and enjoyment during the Lease Term so long as Lessee is not in default under the subject Property Schedule.

5.02 Location; Inspection. The Property will be initially located or based at the location specified in the applicable Property Schedule. Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Property.

ARTICLE VI

6.01 Lease Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional, statutory or charter limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the faith and credit or taxing power of Lessee. Upon the appropriation of Lease Payments for a fiscal year, the Lease Payments for said fiscal year, and only the Lease Payments for said current fiscal year, shall be a binding obligation of Lessee; provided that such obligation shall not include a pledge of the taxing power of Lessee.

6.02 Payment of Lease Payments. Lessee shall promptly pay Lease Payments under each Property Schedule, exclusively from legally available funds, in lawful money of the United States of America, to Lessor in such amounts and on such dates as described in the applicable Property Schedule, at Lessor's address set forth on the first page of this Agreement, unless Lessor instructs Lessee otherwise. Lessee shall pay Lessor a charge on any delinquent Lease Payments under a Property Schedule in an amount sufficient to cover all additional costs and expenses incurred by Lessor from such delinquent Lease Payment. In addition, Lessee shall pay a late charge of five cents per dollar or the highest amount permitted by applicable law, whichever is lower, on all delinquent Lease Payments and interest on said delinquent amounts from the date such amounts were due until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

6.03 Interest Component. A portion of each Lease Payment due under each Property Schedule is paid as, and represents payment of, interest, and each Property Schedule hereunder shall set forth the interest component (or method of computation thereof) of each Lease Payment thereunder during the Lease Term.

6.04 Lease Payments to be Unconditional. SUBJECT TO SECTION 6.06, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE PROPERTY SCHEDULES AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR AS PROVIDED IN SECTION 10.02.

6.05 Continuation of Lease by Lessee. Lessee intends to continue all Property Schedules entered into pursuant to this Agreement and to pay the Lease Payments thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Lease Payments during the term of all Property Schedules can be obtained. Lessee agrees that its staff will provide during the budgeting process for each budget year to the governing body of Lessee notification of any Lease Payments due under the Property Schedules during the following budget year. Notwithstanding this covenant, if Lessee fails to appropriate the Lease Payments for a Property Schedule pursuant to Section 6.06, such Property Schedule shall terminate at the end of the then current Original Term or Renewal Term. Although Lessee has made this covenant, in the event that it fails to provide such notice, no remedy is provided and Lessee shall not be liable for any damages for its failure to so comply.

6.06 Nonappropriation. If during the then current Original Term or Renewal Term, sufficient funds are not appropriated to make Lease Payments required under a Property Schedule for the following fiscal year, Lessee shall be deemed to not have renewed such Property Schedule for the following fiscal year and the Property Schedule shall terminate at the end of the then current Original Term or Renewal Term and Lessee shall not be obligated to make Lease Payments under said Property Schedule beyond the then current fiscal year for which funds have been appropriated. Upon the occurrence of such nonappropriation (a "Nonappropriation Event") Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Property under said Property Schedule to Lessor. If Lessee fails to deliver possession of the Property to Lessor upon termination of said Property Schedule by reason of a Nonappropriation Event, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver

possession as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Property Schedule, instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to Lessee's obligations under the Property Schedule and this Agreement. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

6.07 Defeasance of Lease Payments. Lessee may at any time irrevocably deposit in escrow with a defeasance escrow agent for the purpose of paying all of the principal component and interest component accruing under a Property Schedule, a sum of cash and non-callable securities consisting of direct obligations of, or obligations the principal of an interest on which are unconditionally guaranteed by, the United States of America or any agency or instrumentality thereof, in such aggregate amount, bearing interest at such rates and maturing on such dates as shall be required to provide funds sufficient for this purpose. Upon such defeasance, all right, title and interest of Lessor in the Property under said Property Schedule shall terminate. Lessee shall cause such investment to comply with the requirements of federal tax law so that the exclusion from gross income of the interest component of Lease Payments on said Property Schedule is not adversely affected.

6.08 Gross-Up. If an Event of Taxability occurs with respect to a Property Schedule, the interest component of Lease Payments on the Property Schedule shall thereafter be payable at the Taxable Rate, and Lessee shall pay to Lessor promptly following demand an amount sufficient to supplement prior Lease Payments on such Property Schedule so that Lessor receives the interest component of such Lease Payments, retroactive to the date as of which the interest component is determined to be includible in the gross income of Lessor for federal income tax purposes, calculated at the Taxable Rate, together with any penalties and interest actually imposed on Lessor as a result of the Event of Taxability. For purposes of this Section, "Event of Taxability" means, with respect to a Property Schedule, (a) a final determination by the Internal Revenue Service or a court of competent jurisdiction that the interest component of Lease Payments on the Property Schedule is includible for federal income tax purposes in the gross income of Lessor, or (b) receipt by Lessor of a written opinion of a nationally recognized public finance lawyer or law firm to the effect that there exists substantial doubt whether the interest component of Lease Payments on the Property Schedule is excludible for federal income tax purposes from the gross income of Lessor, in each case due to any action or failure to take action by Lessee. "Taxable Rate" means an interest rate calculated to provide Lessor with an after-tax yield equivalent to the yield provided to Lessor by the interest rate at which the interest component of Lease Payments on a Property Schedule was originally calculated.

ARTICLE VII

7.01 Title to the Property. Upon acceptance of the Property by Lessee and unless otherwise required by the laws of the State, title to the Property shall vest in Lessee, subject to Lessor's interests under the applicable Property Schedule and this Agreement.

7.02 Personal Property. The Property is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Property or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Property from any party having an interest in any such real estate or building.

7.03 Security Interest. To the extent permitted by law and to secure the performance of all of Lessee's obligations under this Agreement with respect to a Property Schedule, including without limitation all Property Schedules now existing are hereafter executed, Lessee grants to Lessor, for the benefit of Lessor and its successors and assigns, a security interest constituting a first lien on Lessee's interest in all of the Property under the Property Schedule, whether now owned or hereafter acquired, all additions, attachments, alterations and accessions to the Property, all substitutions and replacements for the Property, and on any proceeds of any of the foregoing, including insurance proceeds. Lessee shall execute any additional documents, including financing statements, affidavits, notices and similar instruments in form and substance satisfactory to Lessor, which Lessor deems necessary or appropriate to establish, maintain and perfect a security interest in the Property in favor of Lessor and its successors and assigns. Lessee hereby authorizes Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest.

ARTICLE VIII

8.01 Maintenance of Property by Lessee. Lessee shall keep and maintain the Property in good condition and working order and in compliance with the manufacturer's specifications, shall use, operate and maintain the Property in conformity with all laws and regulations concerning the Property's ownership, possession, use and maintenance, and shall keep the Property free and clear of all liens and claims, other than those created by this Agreement. Lessee shall have sole responsibility to maintain and repair the Property. Should Lessee fail to maintain, preserve and keep the Property in good repair and working order and in accordance with manufacturer's specifications, and if requested by Lessor, Lessee will enter into maintenance contracts for the Property in form approved by Lessor and with approved providers.

8.02 Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Property free of all levies, liens and encumbrances, except for the interest of Lessor under this Agreement. The parties to this Agreement contemplate that the Property will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Property will be exempt from all property taxes. The Lease Payments payable by Lessee under this Agreement and the Property Schedules hereunder have been established to reflect the savings resulting from this exemption from taxation. Lessee will take such actions necessary under applicable law to obtain said exemption. Nevertheless, if the use, possession or acquisition of the Property is determined to be subject to taxation or later becomes subject to such taxes, Lessee shall pay exemption. Lessee shall pay all gas, water, steam, electricity, heat, when due all taxes and governmental charges lawfully assessed or levied against or with respect to the Property. Lessee shall pay such taxes or charges as power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property. Lessee shall pay such taxes or charges as the same may become due; provided that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Property.

8.03 Insurance. At its own expense, Lessee shall maintain (a) casualty insurance insuring the Property against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount equal to at least the outstanding principal component of Lease Payments, and (b) liability insurance that protects Lessor from liability in all events in an amount reasonably acceptable to Lessor, and (c) worker's compensation insurance covering all employees working on, in, near or about the Property; provided that Lessee may self-insure against all such risks. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. All such insurance shall be with insurers that are authorized to issue such insurance in the State. All such liability insurance shall name Lessor as an additional insured. All such casualty insurance shall contain a provision making any losses payable to Lessor and Lessee as their respective interests may appear. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification. Such changes shall not become effective without Lessor's prior written consent. Lessee shall furnish to Lessor, on or before the Commencement Date for each Property Schedule, and thereafter at Lessor's request, certificates evidencing such coverage, or, if Lessee self-insures, a written description of its self-insurance program together with a certification from Lessee's risk manager or insurance agent or consultant to the effect that Lessee's self-insurance program provides adequate coverage against the risks listed above.

8.04 Advances. In the event Lessee shall fail to either maintain the insurance required by this Agreement or keep the Property in good repair and working order, Lessor may, but shall be under no obligation to, purchase the required insurance and pay the cost of the premiums thereof or maintain and repair the Property and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the Lease Term for the applicable Property Schedule and shall be due and payable on the next Lease Payment Date and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date such amounts are advanced until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

ARTICLE IX

9.01 Damage or Destruction. If (a) the Property under a Property Schedule or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Property under a Property Schedule or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessor and Lessee will cause the Net Proceeds (as hereinafter defined) of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Property, unless Lessee shall have exercised its right to defease the Property Schedule as provided herein, or unless Lessee shall have exercised its option to purchase Lessor's interest in the Property if the Property Schedule so provides. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee. For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim, condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

9.02 Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01, Lessee shall (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and, if Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Section 6.02, or (b) defease the Property Schedule pursuant to Section 6.07, or (c) exercise its option to purchase

Lessor's interest in the Property pursuant to the optional purchase provisions of the Property Schedule, if any. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after such defeasance or purchase may be retained by Lessee.

ARTICLE X

10.01 Disclaimer of Warranties. LESSOR MAKES NO (AND SHALL NOT BE DEEMED TO HAVE MADE ANY) WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN, OPERATION OR CONDITION OF, OR THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE PROPERTY, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE STATE OF TITLE THERETO OR ANY COMPONENT THEREOF, THE ABSENCE OF LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), AND LESSOR HEREBY DISCLAIMS THE SAME; IT BEING UNDERSTOOD THAT THE PROPERTY IS LEASED TO LESSEE "AS IS" ON THE DATE OF THIS AGREEMENT OR THE DATE OF DELIVERY, WHICHEVER IS LATER, AND ALL SUCH RISKS, IF ANY, ARE TO BE BORNE BY LESSEE. Lessee acknowledges that it has made (or will make) the selection of the Property from the Vendor based on its own judgment and expressly disclaims any reliance upon any statements or representations made by Lessor. Lessee understands and agrees that (a) neither the Vendor nor any sales representative or other agent of Vendor, is (i) an agent of Lessor, or (ii) authorized to make or alter any term or condition of this Agreement, and (b) no such waiver or alteration shall vary the terms of this Agreement unless expressly set forth herein. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Property Schedules, or the existence, furnishing, functioning or use of any item, product or service provided for in this Agreement or the Property Schedules.

10.02 Vendor's Warranties. Lessor hereby irrevocably assigns to Lessee all rights that Lessor may have to assert from time to time whatever claims and rights (including without limitation warranties) related to the Property against the Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Property, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the Vendor of the Property.

10.03 Use of the Property. Lessee will not install, use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement and the applicable Property Schedule. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Property. In addition, Lessee agrees to comply in all respects with all laws of the jurisdiction in which its operations involving any item of Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Property; provided that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Property or its interest or rights under this Agreement. Lessee shall promptly notify Lessor in writing of any pending or threatened investigation, inquiry, claim or action by any governmental authority which could adversely affect this Agreement, any Property Schedule or the Property thereunder.

10.04 Modifications. Subject to the provisions of this Section, Lessee shall have the right, at its own expense, to make alterations, additions, modifications or improvements to the Property. All such alterations, additions, modifications and improvements shall thereafter comprise part of the Property and shall be subject to the provisions of this Agreement. Such alterations, additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, on completion of any alterations, additions, modifications or improvements made pursuant to this Section, shall be of a value which is equal to or greater than the value of the Property immediately prior to the making of such alterations, additions, modifications and improvements. Lessee shall, at its own expense, make such alterations, additions, modifications and improvements to the Property as may be required from time to time by applicable law or by any governmental authority.

ARTICLE XI

11.01 Option to Purchase. Lessee shall have the option to purchase Lessor's entire interest in all of the Property subject to a Property Schedule and to terminate any restrictions herein on the Property under such Property Schedule on the last day of the Lease Term for a Property Schedule, if the Property Schedule is still in effect on such day, upon payment in full of the Lease Payments due thereunder plus payment of One (1) Dollar to Lessor. Upon exercise of the purchase option as set forth in this Section 11.01 and payment of the purchase price under the applicable Property Schedule, and performance by Lessee of all other terms, conditions and provisions hereof, Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably require to evidence the transfer, without warranty by or recourse to Lessor, of all of Lessor's right, title and interest in and to the Property subject to such Property Schedule to Lessee.

11.02 Option to Prepay. Lessee shall have the option to prepay in whole the Lease Payments due under a Property Schedule, but only if the Property Schedule so provides, and on the terms set forth in the Property Schedule. Lessee shall give written notice to Lessor of its intent to purchase Lessor's interest in the Property at least sixty (60) days prior to the last day of the Lease Term for applicable Property Schedule.

ARTICLE XII

12.01 Assignment by Lessor. Lessor's right, title and interest in, to and under each Property Schedule and the Property under such Property Schedule may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment shall not be effective until Lessee has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in this Agreement and the Property Schedules.

12.02 Property Schedules Separate Financings. Assignees of the Lessor's rights in one Property Schedule shall have no rights in any other Property Schedule unless such rights have been separately assigned.

12.03 Assignment and Subleasing by Lessee. NONE OF LESSEE'S RIGHT, TITLE AND INTEREST IN, TO AND UNDER THIS AGREEMENT AND IN THE PROPERTY MAY BE ASSIGNED, SUBLEASED OR ENCUMBERED BY LESSEE FOR ANY REASON, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR.

12.04 Release and Indemnification Covenants. To the extent permitted by applicable law, Lessee shall indemnify, protect, hold harmless, save and keep harmless Lessor from and against any and all liability, obligation, loss, claim and damage whatsoever, regardless of cause thereof, and all expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest (collectively, "Losses") arising out of or resulting from the entering into this Agreement, any Property Schedules hereunder, the ownership of any item of the Property, the loss of federal tax exemption of the interest on any of the Property Schedules, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Property or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Property resulting in damage to property or injury to or death to any person; provided, however, that Lessee shall not be required to indemnify Lessor for Losses arising out of or resulting from Lessor's own willful or negligent conduct, or for Losses arising out of or resulting from Lessor's preparation of disclosure material relating to certificates of participation in this Agreement and any Property Schedule (other than disclosure material provided to Lessor by Lessee). The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement, or the applicable Property Schedule, or the termination of the Lease Term for such Property Schedule for any reason.

ARTICLE XIII

13.01 Events of Default Defined. Any of the following shall constitute an "Event of Default" under a Property Schedule:

- (a) Failure by Lessee to pay any Lease Payment under the Property Schedule or other payment required to be paid with respect thereto at the time specified therein;
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed with respect to the Property Schedule, other than as referred to in subparagraph (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;
- (c) Any statement, representation or warranty made by Lessee in or pursuant to the Property Schedule or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

- (d) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee; (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due; (iii) make a general assignment for the benefit of creditors; (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or
- (e) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days.

The foregoing provisions of Section 13.01 are subject to the following limitation: if by reason of force majeure Lessee is unable in whole or in part to perform its agreements under this Agreement and the Property Schedule (other than any obligations on the part of Lessee to make any payments hereunder) Lessee shall not be in default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States or of the State or any of their departments, agencies or officials; or any civil or military authority; insurrections, riots, landslides, earthquakes, fires, storms, droughts, floods, explosions, breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessee.

A Nonappropriation Event is not an Event of Default.

13.02 Remedies on Default. Whenever any Event of Default exists with respect to a Property Schedule, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) Without terminating the Property Schedule, and by written notice to Lessee, Lessor may declare all Lease Payments and other amounts payable by Lessee thereunder to the end of the then-current budget year of Lessee to be due, including without limitation delinquent Lease Payments under the Property Schedule from prior budget years, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less;
- (b) Lessor may terminate the Property Schedule, may enter the premises where the Property subject to the Property Schedule is located and retake possession of the Property, or require Lessee, at Lessee's expense, to promptly return any or all of the Property to the possession of Lessor at such place within the United States as Lessor shall specify, and Lessor may thereafter dispose of the Property in accordance with Article 9 of the Uniform Commercial Code in effect in the State; provided, however, that any proceeds from the disposition of the property in excess of the sum required to (i) pay off any outstanding principal component of Lease Payments, (ii) pay any other amounts then due under the Property Schedule, and (iii) pay Lessor's costs and expenses associated with the disposition of the Property (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee except with respect to unpaid costs and expenses incurred by Lessor in connection with the disposition of the Property;
- (c) By written notice to any escrow agent who is holding proceeds of the Property Schedule, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Property Schedule;
- (d) Lessor may take any action, at law or in equity, that is permitted by applicable law and that may appear necessary or desirable to enforce or to protect any of its rights under the Property Schedule and this Agreement.

Notwithstanding the foregoing, if the proceeds are insufficient to pay items (i) to (iii) in Section 13.02(b) in whole, Lessee shall remain obligated after application of proceeds to items (i) and (ii), to pay in whole the amounts for item (iii).

13.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

13.04 Costs and Attorney Fees. Upon the occurrence of an Event of Default by Lessee in the performance of any term of this Agreement, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Lessee, shall be secured by this Agreement until paid and shall bear interest at the rate of 12% per annum or the maximum amount permitted by law, whichever is less. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

ARTICLE XIV

14.01 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties hereto at the addresses as specified on the first page of this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party), to any assignee at its address as it appears on the registration books maintained by Lessee.

14.02 Arbitration Certificates. Unless a separate Arbitration Certificate is delivered on the Commencement Date, Lessee shall be deemed to make the following representations and covenants as of the Commencement Date for each Property Schedule:

- (a) The estimated total costs, including taxes, freight, installation, and cost of issuance, of the Property under the Property Schedule will not be less than the total principal amount of the Lease Payments.
- (b) The Property under the Property Schedule has been ordered or is expected to be ordered within six months after the Commencement Date and the Property is expected to be delivered and installed, and the Vendor fully paid, within eighteen months from the Commencement Date. Lessee will pursue the completion of the Property and the expenditure of the net proceeds of the Property Schedule with due diligence.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Lease Payments under the Property Schedule, or (ii) that may be used solely to prevent a default in the payment of the Lease Payments under the Property Schedule.
- (d) The Property under the Property Schedule has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Lease Payments under the Property Schedule.
- (e) There are no other obligations of Lessee which (i) are being sold within 15 days of the Commencement Date of the Property Schedule; (ii) are being sold pursuant to the same plan of financing as the Property Schedule; and (iii) are expected to be paid from substantially the same source of funds.
- (f) The officer or official who has executed the Property Schedule on Lessee's behalf is familiar with Lessee's expectations regarding the use and expenditure of the proceeds of the Property Schedule. To the best of Lessee's knowledge, information and belief, the facts and estimates set forth herein are accurate and the expectations of Lessee set forth herein are reasonable.

14.03 Further Assurances. Lessee agrees to execute such other and further documents, including, without limitation, confirmatory financing statements, continuation statements, certificates of title and the like, and to take all such action as may be necessary or appropriate, from time to time, in the reasonable opinion of Lessor, to perfect, confirm, establish, reestablish, continue, or complete the interests of Lessor in this Agreement and the Property Schedules, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and the Property Schedules.

14.04 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

14.05 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14.06 **Waiver of Jury Trials.** Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Lessor or Lessee in the negotiation, administration, performance or enforcement hereof.

14.07 **Amendments, Changes and Modifications.** This Agreement may be amended in writing by Lessor and Lessee to the extent the amendment or modification does not apply to outstanding Property Schedules at the time of such amendment or modification. The consent of all assignees shall be required to any amendment or modification before such amendment or modification shall be applicable to any outstanding Property Schedule.

14.08 **Execution in Counterparts.** This Agreement and the Property Schedules hereunder may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14.09 **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

14.10 **Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

14.11 **Continuing Disclosure.** Lessor acknowledges that, in connection with Lessee's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by Lessee pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), notice of its incurrence of its obligations under this Agreement and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with this Agreement, in each case including a description of the material terms thereof (each such notice, an "EMMA Notice"). Lessee shall not file or submit or permit the filing or submission of any EMMA Notice that includes any of the following unredacted information regarding Lessor or the Escrow Agent: physical or mailing addresses, account information, e-mail addresses, telephone numbers, fax numbers, tax identification numbers, or titles or signatures of officers, employees or other signatories. Lessee acknowledges and agrees that Lessor is not responsible in connection with any EMMA Notice relating to this Agreement for Lessee's compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the Rule, any Continuing Disclosure Agreement or any applicable securities laws, including but not limited to those relating to the Rule.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

Lessor: Municipal Leasing Consultants

By:

Name:

Title:

Lessee: City of Newport

By:

Name:

Title:

Attest:

By:

Name:

Title:

Property Schedule No. 1

Master Tax-Exempt Lease/Purchase Agreement

This **Property Schedule No. 1** is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), dated as of January 19, 2024, between Municipal Leasing Consultants, and City of Newport.

1. **Entire Agreement; Interpretation.** The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. The Master Agreement, this Property Schedule and the associated documents hereto constitute the entire agreement between Lessor and Lessee with respect to the Property and supersede any purchase order, invoice, request for proposal, response or other related document. Reference is made to the Master Agreement for all representations, covenants and warranties made by Lessee in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement.
2. **Commencement Date.** The Commencement Date for this Property Schedule is January 19, 2024.
3. **Property Description and Payment Schedule.** The Property subject to this Property Schedule is described in Exhibit 1 hereto. Lessee shall not remove such property from the locations set forth therein without giving prior written notice to Lessor. The Lease Payment Schedule for this Property Schedule is set forth in Exhibit 1.
4. **Opinion.** The Opinion of Lessee's Counsel is attached as Exhibit 2.
5. **Lessee's Certificate.** The Lessee's Certificate is attached as Exhibit 3.
6. **Proceeds.** Lessor shall disburse the proceeds of this Property Schedule in accordance with the instructions attached hereto as Exhibit 4.
7. **Acceptance Certificate.** The form of Acceptance Certificate is attached as Exhibit 5.
8. **Additional Purchase Option Provisions.** In addition to the Purchase Option provisions set forth in the Master Agreement, Lease Payments payable under this Property Schedule shall be subject to prepayment in whole at any time by payment of the applicable Termination Amount set forth in Exhibit 1 (Payment Schedule) and payment of all accrued and unpaid interest through the date of prepayment.
9. **Private Activity Issue.** Lessee understands that among other things, in order to maintain the exclusion of the interest component of Lease Payments from gross income for federal income tax purposes, it must limit and restrict the rights private businesses (including, for this purpose, the federal government and its agencies and organizations described in the Code § 501(c)(3)) have to use the Property. Each of these requirements will be applied beginning on the later of the Commencement Date or date each portion of the Property is placed in service and will continue to apply until earlier of the end of the economic useful life of the property or the date the Agreement or any tax-exempt obligation issued to refund the Property Schedule is retired (the "Measurement Period"). Lessee will comply with the requirements of Section 141 of the Code and the regulations thereunder which provide restrictions on special legal rights that users other than Lessee or a state or local government or an agency or instrumentality of a state or a local government (an "Eligible User") may have to use the Property. For this purpose, special legal rights may arise from a management or service agreement, lease, research agreement or other arrangement providing any entity except an Eligible User the right to use the Property. Any use of the Property by a user other than an Eligible User is referred to herein as "Non-Qualified Use". Throughout the Measurement Period, all of the Property is expected to be owned by Lessee. Throughout the Measurement Period, Lessee will not permit the Non-Qualified Use of the Property to exceed 10%.
10. **Bank Qualification and Arbitrage Rebate.** Attached as Exhibit 6.
11. **Expiration.** Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Master Agreement (including this Property Schedule and all ancillary documents) is not received by Lessor at its place of business by February 5, 2024.

(Page intentionally left blank. Signature page to follow)

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives as of the Commencement Date above.

Lessor: Municipal Leasing Consultants
By: _____
Name: _____
Title: _____

Lessee: City of Newport
By: _____
Name: _____
Title: _____

Attest: _____
By _____
Name: _____
Title: _____

EXHIBIT 1

Property Description and Payment Schedule

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between Municipal Leasing Consultants and City of Newport.

THE PROPERTY IS AS FOLLOWS: The Property as more fully described in Exhibit A incorporated herein by reference and attached hereto. It includes all replacements, parts, repairs, additions, accessions and accessories incorporated therein or affixed or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries.

PROPERTY LOCATION:

Address

City, State Zip Code

USE: Extrication Equipment - This use is essential to the proper, efficient and economic functioning of Lessee or to the services that Lessee provides; and Lessee has immediate need for and expects to make immediate use of substantially all of the Property, which need is not temporary or expected to diminish in the foreseeable future.

Lease Payment Schedule

Total Principal Amount: \$110,102.00

Payment No.	Due Date	Lease Payment	Principal Portion	Interest Portion	Termination Amount (After Making Payment for said Due Date)
1	19-Jan-2024	18,543.58	18,543.58	0.00	NA
2	19-Jan-2025	18,543.58	13,169.10	5,374.48	NA
3	19-Jan-2026	18,543.58	13,942.12	4,601.46	66,380.61
4	19-Jan-2027	18,543.58	14,760.53	3,783.05	51,177.27
5	19-Jan-2028	18,543.58	15,626.97	2,916.61	35,081.49
6	19-Jan-2029	18,543.58	16,544.27	1,999.31	18,040.89
7	19-Jan-2030	18,543.58	17,515.43	1,028.15	0.00
TOTAL		129,805.06	110,102.00	19,703.06	

Interest Rate: 5.87%

Lessee: City of Newport

By:

Name:

Title:

EXHIBIT A

Property Description

Extraction Equipment

EXHIBIT 2

Lessee's Counsel's Opinion

[To be provided on letterhead of Lessee's counsel.]

January 19, 2024

Municipal Leasing Consultants
7 Old Town Lane
Grand Isle, VT 05458

City of Newport
222 Main Street
Newport, VT 05855
Attention: Rebecca Therrien

RE: **Property Schedule No. 1 dated** as of January 19, 2024 to the Master Tax-Exempt Lease/Purchase Agreement **dated** January 19, 2024 between Municipal Leasing Consultants and City of Newport.

Ladies and Gentlemen:

We have acted as special counsel to City of Newport ("Lessee"), in connection with the Master Tax-Exempt Lease/Purchase Agreement, dated as of January 19, 2024 (the "Master Agreement"), between City of Newport, as lessee, and Municipal Leasing Consultants as lessor ("Lessor"), and the execution of Property Schedule No. 1 (the "Property Schedule") dated as of January 19, 2024, pursuant to the Master Agreement. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement and Property Schedule.

As to questions of fact material to our opinion, we have relied upon the representations of Lessee in the Master Agreement and the Property Schedule and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) the police power.
2. Lessee has all requisite power and authority to enter into the Master Agreement and the Property Schedule and to perform its obligations thereunder.
3. The execution, delivery and performance of the Master Agreement and the Property Schedule by Lessee has been duly authorized by all necessary action on the part of Lessee.
4. All proceedings of Lessee and its governing body relating to the authorization and approval of the Master Agreement and the Property Schedule, the execution thereof and the transactions contemplated thereby have been conducted in accordance with all applicable open meeting laws and all other applicable state and federal laws.
5. Lessee has acquired or has arranged for the acquisition of the Property subject to the Property Schedule, and has entered into the Master Agreement and the Property Schedule, in compliance with all applicable public bidding laws.
6. Lessee has obtained all consents and approvals of other governmental authorities or agencies which may be required for the execution, delivery and performance by Lessee of the Master Agreement and the Property Schedule.

7. The Master Agreement and the Property Schedule have been duly executed and delivered by Lessee and constitute legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with the terms thereof, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other laws of equitable principles of general application, or of application to municipalities or political subdivisions such as the Lessee, affecting remedies or creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

8. As of the date hereof, based on such inquiry and investigation as we have deemed sufficient, no litigation is pending, (or, to our knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal of or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

This opinion may be relied upon by Lessor, its successors and assigns, and any other legal counsel who provides an opinion with respect to the Property Schedule.

Very truly yours,

By: _____

Name: _____

Title: _____

Dated: _____

EXHIBIT 3

Lessee's General and Incumbency Certificate

GENERAL CERTIFICATE

Re: **Property Schedule No. 1** dated as of January 19, 2024 to the Master Tax-Exempt Lease/Purchase Agreement dated January 19, 2024 between Municipal Leasing Consultants and City of Newport.

The undersigned, being the duly elected, qualified and acting _____
(Title of Person to Execute Lease/Purchase Agreement)
of the City of Newport ("Lessee") does hereby certify, as of January 19, 2024, as follows:

1. Lessee did, at a meeting of the governing body of the Lessee, by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Property Schedule (the "Property Schedule") and the Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement") by the undersigned.

2. The meeting(s) of the governing body of the Lessee at which the Master Agreement and the Property Schedule were approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Master Agreement and the Property Schedule and authorizing the execution thereof has not been altered or rescinded. All meetings of the governing body of Lessee relating to the authorization and delivery of Master Agreement and the Property Schedule have been: (a) held within the geographic boundaries of the Lessee; (b) open to the public, allowing all people to attend; (c) conducted in accordance with internal procedures of the governing body; and (d) conducted in accordance with the charter of the Lessee, if any, and the laws of the State.

3. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof with respect to this Property Schedule or any other Property Schedules under the Master Agreement.

4. The acquisition of all of the Property under the Property Schedule has been duly authorized by the governing body of Lessee.

5. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year under the Property Schedule and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.

6. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal of or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 19, 2024.

City of Newport

By _____
Signature of Person to Execute Lease/Purchase Agreement

Print Name and Title of Person to Execute Lease/Purchase Agreement

INCUMBENCY CERTIFICATE

Re: **Property Schedule No. 1** dated as of January 19, 2024 to the Master Tax-Exempt Lease/Purchase Agreement dated as of January 19, 2024 between Municipal Leasing Consultants and City of Newport.

The undersigned, being the duly elected, qualified and acting Secretary or Clerk of the City of Newport ("Lessee") does hereby certify, as of January 19, 2024, as follows:

As of the date of the meeting(s) of the governing body of the Lessee at which the above-referenced Master Agreement and the Property Schedule were approved and authorized to be executed, and as of the date hereof, the below-named representative of the Lessee held and holds the office set forth below, and the signature set forth below is his/her true and correct signature.

(Signature of Person to Execute Lease/Purchase Agreement)

(Print Name and Title)

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of January 19, 2024.

Secretary/Clerk

Print Name
and Title: _____

EXHIBIT 4

Payment of Proceeds Instructions

Municipal Leasing Consultants
7 Old Town Lane
Grand Isle, VT 05458

Re: **Property Schedule No. 1** (the "Property Schedule") to Master Tax-Exempt Lease/Purchase Agreement between Municipal Leasing Consultants ("Lessor") and City of Newport ("Lessee").

Ladies and Gentlemen:

The undersigned, an Authorized Representative of the Lessee hereby requests and authorizes Lessor to disburse the net proceeds of the Property Schedule as follows:

Name of Payee:

By Check: _____

If by check, Payee's Address:

By Wire Transfer: _____

If by wire transfer, instructions as follows:

Pay to Bank Name:

Bank Address:

Bank Phone #:

For Account of:

Account No:

ABA No.:

Lessee: City of Newport

By:

Name:

Title:

EXHIBIT 5

Acceptance Certificate

Municipal Leasing Consultants
7 Old Town Lane
Grand Isle, VT 05458

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between Municipal Leasing Consultants and City of Newport

Ladies and Gentlemen:

In accordance with the above-referenced Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), the undersigned ("Lessee") hereby certifies and represents to, and agrees with, Municipal Leasing Consultants ("Lessor"), as follows:

- (1) The Property, as such terms are defined in the above-referenced Property Schedule, has been acquired, made, delivered, installed and accepted on the date indicated below.
- (2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.
- (3) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof.

Acceptance Date: _____

Lessee: City of Newport

By:

Name:

Title:

EXHIBIT 6

Bank Qualification And Arbitrage Rebate

Municipal Leasing Consultants
7 Old Town Lane
Grand Isle, VT 05458

Re: **Property Schedule No. 1** to Master Tax-Exempt Lease/Purchase Agreement between Municipal Leasing Consultants and City of Newport

PLEASE CHECK EITHER:

Bank Qualified Tax-Exempt Obligation under Section 265

____ Lessee hereby designates this Property Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. Lessee reasonably anticipates issuing tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds and including all tax-exempt obligations of subordinate entities of the Lessee) during the calendar year in which the Commencement Date of this Property Schedule falls, in an amount not exceeding \$10,000,000.

or

____ Not applicable.

Arbitrage Rebate

Eighteen Month Exception:

Pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of this Property Schedule will be expended for the governmental purposes for which this Property Schedule was entered into, as follows: at least 15% within six months after the Commencement Date, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall compute rebatable arbitrage on this Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final Lease Payment due under this Agreement.

Consult tax counsel if there is any chance that the Eighteen Month Exception will not be met.

Lessee: City of Newport
By:
Name:
Title:

*Please be sure to select ONE option above.

Language for UCC Financing Statements

Property Schedule No. 1

SECURED PARTY: U.S. Bancorp Government Leasing and Finance, Inc.

DEBTOR: City of Newport

This financing statement covers all of Debtor's right, title and interest, whether now owned or hereafter acquired, in and to the equipment leased to Debtor under Property Schedule No. 1 dated January 19, 2024 to that certain Master Tax-Exempt Lease Purchase Agreement dated as of January 19, 2024, in each case between Debtor, as Lessee, and Secured Party, as Assignee, together with all accessions, substitutions and replacements thereto and therefore, and proceeds (cash and non-cash), including, without limitation, insurance proceeds, thereof, including without limiting, all equipment described on Exhibit A attached hereto and made a part hereof.

Debtor has no right to dispose of the equipment.

Notification of Tax Treatment to Tax-Exempt Lease/Purchase Agreement

This **Notification of Tax Treatment** is pursuant to the Master Tax-Exempt Lease/Purchase Agreement dated as of January 19, 2024 and the related Property Schedule No. 1 dated January 19, 2024, between Lessor and Lessee (the "Agreement").

- ☐ Lessee agrees that this Property Schedule SHOULD be subject to sales/use taxes
- ☒ Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and Lessee has included our tax-exemption certificate with this document package
- ☐ Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and no tax-exemption certificate is issued to us by the State
- ☐ Lessee agrees that this Property Schedule is a taxable transaction and subject to any/all taxes
- ☐ Lessee agrees that this Property Schedule is subject to sales/use taxes and will pay those taxes directly to the State or Vendor

IN WITNESS WHEREOF, Lessee has caused this Notification of Tax Treatment to be executed by their duly authorized representative.

Lessee: City of Newport

By:

Name:

Title:

Information Return for Tax-Exempt Governmental Bonds

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting Authority

Check box if Amended Return ☐

1 Issuer's name		2 Issuer's employer identification number (EIN)	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)	
6 City, town, or post office, state, and ZIP code		7 Date of issue	
8 Name of issue		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information		10b Telephone number of officer or other employee shown on 10a	

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.

11 Education	11
12 Health and hospital	12
13 Transportation	13
14 Public safety	14
15 Environment (including sewage bonds)	15
16 Housing	16
17 Utilities	17
18 Other. Describe ►	18
19a If bonds are TANs or RANs, check only box 19a <input type="checkbox"/>	
b If bonds are BANs, check only box 19b <input type="checkbox"/>	
20 If bonds are in the form of a lease or installment sale, check box <input type="checkbox"/>	

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21		\$	\$	years	%

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest	22
23	Issue price of entire issue (enter amount from line 21, column (b))	23
24	Proceeds used for bond issuance costs (including underwriters' discount)	24
25	Proceeds used for credit enhancement	25
26	Proceeds allocated to reasonably required reserve or replacement fund	26
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	27
28	Proceeds used to refund prior taxable bonds. Complete Part V	28
29	Total (add lines 24 through 28)	29
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded	years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	
34	Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **35**
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions **36a**
- b** Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) _____
- c** Enter the name of the GIC provider ▶ _____
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units **37**
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the following information:
- b** Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____
- c** Enter the EIN of the issuer of the master pool bond ▶ _____
- d** Enter the name of the issuer of the master pool bond ▶ _____
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ☐ ☐
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ☐ ☐
- 41a** If the issuer has identified a hedge, check here ☐ and enter the following information:
- b** Name of hedge provider ▶ _____
- c** Type of hedge ▶ _____
- d** Term of hedge ▶ _____
- 42** If the issuer has superintegrated the hedge, check box ☐ ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ☐ ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ☐ ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ☐ and enter the amount of reimbursement ☐ _____
- b** Enter the date the official intent was adopted ▶ (MM/DD/YYYY) _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative _____ Date _____ Type or print name and title _____

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶			
Firm's address ▶	Phone no. ▶			

Instructions for Form 8038-G



Department of the Treasury
Internal Revenue Service

(Rev. October 2021)

Information Return for Tax-Exempt Governmental Bonds

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 8038-G and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form8038G](https://www.irs.gov/Form8038G).

General Instructions

Purpose of Form

Form 8038-G is used by issuers of tax-exempt governmental bonds to provide the IRS with the information required by section 149(e) and to monitor compliance with the requirements of sections 141 through 150.

Who Must File

IF the issue price (line 21, column (b)) is...	THEN, for tax-exempt governmental bonds issued after December 31, 1986, issuers must file...
\$100,000 or more	a separate Form 8038-G for each issue.
less than \$100,000	Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales.

When To File

File Form 8038-G on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond is issued. Form 8038-G may not be filed before the issue date and must be completed based on the facts as of the issue date.

Late filing. An issuer may be granted an extension of time to file Form 8038-G under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file timely is not due to willful neglect. Type or print at the top of the form "Request for Relief under section 3 of Rev. Proc. 2002-48" and attach a letter explaining why Form 8038-G was not submitted to the IRS on time. Also indicate whether the bond issue in question is under examination by the IRS. Do not submit copies of the trust indenture or other bond documents. See *Where To File* next.

Where To File

File Form 8038-G and any attachments at the following address.

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201

Private delivery services. You can use certain private delivery services (PDS) designated by the IRS to meet the "timely mailing as timely filing" rule for tax returns. Go to [IRS.gov/PDS](https://www.irs.gov/PDS) for the current list of designated services.

The PDS can tell you how to get written proof of the mailing date.

For the IRS mailing address to use if you're using PDS, go to [IRS.gov/PDS/streetAddresses](https://www.irs.gov/PDS/streetAddresses).



PDS can't deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate.

For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar (for example, \$1.39 becomes \$1 and \$2.50 becomes \$3).

If two or more amounts must be added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

Definitions

Bond. This is any obligation, including bond, note, commercial paper, installment purchase agreement, or financing lease.

Taxable bond. This is any bond the interest on which is not excludable from gross income under section 103. Taxable bonds include tax credit bonds and direct pay bonds.

Tax-exempt bond. This is any obligation, including a bond, installment purchase

agreement, or financial lease, on which the interest is excluded from income under section 103.

Tax-exempt governmental bond. A tax-exempt bond that is not a private activity bond (see next) is a tax-exempt governmental bond. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes a bond issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use; **and**
- More than 10% of the payment of principal or interest of the issue is **either (a)** secured by an interest in property to be used for a private business use (or payments for such property), **or (b)** to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which **(a)** are to be used directly or indirectly to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units, and **(b)** exceeds the lesser of 5% of the proceeds or \$5 million.

Issue price. The issue price of bonds is generally determined under Regulations section 1.148-1(f). Thus, when issued for cash, the issue price is the first price at which a substantial amount of the bonds are sold to the public. To determine the issue price of a bond issued for property, see sections 1273 and 1274 and the related regulations.

Issue. Generally, bonds are treated as part of the same issue if they are issued by the same issuer, on the same date, and in a single transaction, or a series of related transactions (see Regulations section 1.149(e)-1(e)(2)). However, bonds issued during the same calendar year **(a)** under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan"), or **(b)** with a term not exceeding 270 days, may be treated as part of the same issue if the bonds are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for bonds issued under a draw-down loan that meet the requirements of the preceding

sentence, bonds issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first bond. Likewise, bonds (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first bond.

Arbitrage rebate. Generally, interest on a state or local bond is not tax exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets **both** of the following conditions.

1. At least 75% of the available construction proceeds are to be used for construction expenditures with respect to property to be owned by a governmental unit or a section 501(c)(3) organization.
2. All the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a section 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1½% of the amount of the available construction proceeds of the issue that do not meet certain spending requirements as of the close of each 6-month period after the date the bonds were issued. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Pooled financing issue. This is an issue of tax-exempt bonds, the proceeds of which are to be used to finance purpose investments representing conduit loans to two or more conduit borrowers, unless those conduit loans are to be used to finance a single capital project.

Specific Instructions

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you

are filing to correct errors or change a previously filed return, check the **Amended Return** box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new or corrected information. Attach an explanation of the reason for the amended return and write across the top, "Amended Return Explanation." Failure to attach an explanation may result in a delay in processing the form.

Line 1. The issuer's name is the name of the entity issuing the bonds, not the name of the entity receiving the benefit of the financing. For a lease or installment sale, the issuer is the lessee or the purchaser.

Line 2. An issuer that does not have an employer identification number (EIN) should apply online by visiting the IRS website at [IRS.gov/EIN](https://www.irs.gov/ein). The organization may also apply for an EIN by faxing or mailing Form SS-4 to the IRS.

Line 3a. If the issuer wishes to authorize a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) to communicate with the IRS and whom the IRS may contact about this return (including in writing or by telephone), enter the name of such person here. The person listed on line 3a must be an individual. Do not enter the name and title of an officer or other employee of the issuer here (use line 10a for that purpose).

Note. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual entered on line 3a and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Lines 4 and 6. If you listed an individual on line 3a to communicate with the IRS and whom the IRS may contact about this return, enter the number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code of that person. Otherwise, enter the issuer's number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code.

Note. The address entered on lines 4 and 6 is the address the IRS will use for all written communications regarding the processing of this return, including any notices.

Line 5. This line is for IRS use only. Do not make any entries in this box.

Line 7. The date of issue is generally the first date on which the issuer physically exchanges any bond included in the issue for the underwriter's (or other purchaser's) funds. For a lease or installment sale, enter the date interest starts to accrue in an MM/DD/YYYY format.

Line 8. If there is no name of the issue, please provide other identification of the issue.

Line 9. Enter the CUSIP (Committee on Uniform Securities Identification Procedures) number of the bond with the latest maturity. If the issue does not have a CUSIP number, write "None."

Line 10a. Enter the name and title of the officer or other employee of the issuer whom the IRS may call for more information. If the issuer wishes to designate a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) whom the IRS may call for more information about the return, enter the name, title, and telephone number of such person on lines 3a and 3b.



Complete lines 10a and 10b even if you complete lines 3a and 3b.

Part II—Type of Issue



Elections referred to in Part II are made on the original bond documents, not on this form.

Identify the type of bonds issued by entering the issue price in the box corresponding to the type of bond (see *Issue price* under *Definitions*, earlier). Attach a schedule listing names and EINs of organizations that are to use proceeds of these bonds, if different from those of the issuer, include a brief summary of the use and indicate whether or not such user is a governmental or nongovernmental entity.

Line 18. Enter a description of the issue in the space provided.

Line 19. If the bonds are short-term tax anticipation notes or warrants (TANs) or short-term revenue anticipation notes or warrants (RANs), check box 19a. If the bonds are short-term bond anticipation notes (BANs), issued with the expectation that they will be refunded with the proceeds of long-term bonds at some future date, check box 19b. Do not check both boxes.

Line 20. Check this box if property other than cash is exchanged for the bond, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of bond is sometimes referred to as a "municipal lease.") Also check this box if real property is directly acquired in

exchange for a bond to make periodic payments of interest and principal. **Do not** check this box if the proceeds of the bond are received in the form of cash, even if the term "lease" is used in the title of the issue.

Part III—Description of Bonds

Line 21. For column (a), the final maturity date is the last date the issuer must redeem the entire issue.

For column (b), see *Issue price* under *Definitions*, earlier.

For column (c), the stated redemption price at maturity of the entire issue is the sum of the stated redemption prices at maturity of each bond issued as part of the issue. For a lease or installment sale, write "N/A" in column (c).

For column (d), the weighted average maturity is the sum of the products of the issue price of each maturity and the number of years to maturity (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue (from line 21, column (b)). For a lease or installment sale, enter instead the total number of years the lease or installment sale will be outstanding.

For column (e), the yield, as defined in section 148(h), is the discount rate that, when used to figure the present value of all payments of principal and interest to be paid on the bond, produces an amount equal to the purchase price, including accrued interest. See Regulations section 1.148-4 for specific rules to figure the yield on an issue. If the issue is a variable rate issue, write "VR" as the yield of the issue. For other than variable rate issues, carry the yield out to four decimal places (for example, 5.3125%). If the issue is a lease or installment sale, enter the effective rate of interest being paid.

Part IV—Uses of Proceeds of Bond Issue

For a lease or installment sale, write "N/A" in the space to the right of the title for Part IV.

Line 22. Enter the amount of proceeds that will be used to pay interest on the issue accruing prior to the date of issue. For definition of date of issue, see these instructions, line 7.

Line 24. Enter the amount of the proceeds that will be used to pay bond issuance costs, including fees for trustees and bond counsel. If no bond proceeds will be used to pay bond issuance costs, enter zero. Do not leave this line blank.

Line 25. Enter the amount of the proceeds that will be used to pay fees for credit enhancement that are taken into account in determining the yield on the issue for purposes of section 148(h) (for

example, bond insurance premiums and certain fees for letters of credit).

Line 26. Enter the amount of proceeds that will be allocated to such a fund.

Line 27. Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any tax-exempt bonds, including proceeds that will be used to fund an escrow account for this purpose.

Line 28. Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any taxable bonds, including proceeds that will be used to fund an escrow account for this purpose.

Part V—Description of Refunded Bonds

Complete this part only if the bonds are to be used to refund a prior issue of tax-exempt bonds or taxable bonds. For a lease or installment sale, write "N/A" in the space to the right of the title for Part V.

Lines 31 and 32. The remaining weighted average maturity is determined without regard to the refunding. The weighted average maturity is determined in the same manner as on line 21, column (d).

Line 34. If more than a single issue of tax-exempt bonds or taxable bonds will be refunded, enter the date of issue for each refunded issue. Enter the date in an MM/DD/YYYY format.

Part VI—Miscellaneous

Line 35. An allocation of volume cap is required if the nonqualified amount for the issue is more than \$15 million but is not more than the amount that would cause the issue to be private activity bonds.

Line 36. If any portion of the gross proceeds of the issue is or will be invested in a guaranteed investment contract (GIC), as defined in Regulations section 1.148-1(b), enter the amount of the gross proceeds so invested, as well as the final maturity date of the GIC and the name of the provider of such contract.

Line 37. If the issue is a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), enter the amount of the proceeds used to make loans to other governmental units, the interest on which is tax exempt.

Line 38. If the issue is a loan of proceeds from a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), check the box and where asked for the date of issue, EIN, and name of the issuer of the master pool bond, enter the date of issue, EIN, and name of the issuer of the pooled financing issue.

Line 40. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of arbitrage rebate with this form. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

Line 41a. Check this box if the issuer has identified a hedge on its books and records according to Regulations sections 1.148-4(h)(2)(viii) and 1.148-4(h)(5)(iv) that permit an issuer of tax-exempt bonds to identify a hedge for it to be included in yield calculations for figuring arbitrage.

Line 42. In determining if the issuer has super-integrated a hedge, apply the rules of Regulations section 1.148-4(h)(4). If the hedge is super-integrated, check the box.

Line 43. If the issuer takes a "deliberate action" after the issue date that causes the conditions of the private business tests or the private loan financing test to be met, then such issue is also an issue of private activity bonds. Regulations section 1.141-2(d)(3) defines a deliberate action as any action taken by the issuer that is within its control regardless of whether there is intent to violate such tests. Regulations section 1.141-12 explains the conditions to taking remedial action that prevent an action that causes an issue to meet the private business tests or private loan financing test from being treated as a deliberate action. Check the box if the issuer has established written procedures to ensure timely remedial action for all nonqualified bonds according to Regulations section 1.141-12 or other remedial actions authorized by the Commissioner under Regulations section 1.141-12(h).

Line 44. Check the box if the issuer has established written procedures to monitor compliance with the arbitrage, yield restriction, and rebate requirements of section 148.

Line 45a. Check the box if some part of the proceeds was used to reimburse expenditures. Figure and then enter the amount of proceeds that are used to reimburse the issuer for amounts paid for a qualified purpose prior to the issuance of the bonds. See Regulations section 1.150-2.

Line 45b. Subject to certain exceptions under Regulations section 1.150-2(f), an issuer must adopt an official intent, as described in Regulations section 1.150-2(e), to reimburse itself for preissuance expenditures within 60 days after payment of the original expenditure.

Enter the date the official intent was adopted.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-G and any applicable certification. Also print the name and title of the person signing Form 8038-G. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that have been designated in Form 8038-G.

Note. If the issuer in Part I, lines 3a and 3b, authorizes the IRS to communicate (including in writing and by telephone) with a person other than an officer or other employee of the issuer, by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized officer of the issuer filled in this return, the paid preparer's space should remain blank. Anyone who

prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature (a facsimile signature is acceptable),
- Enter the preparer information, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating

to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on the individual circumstances. The estimated burden for tax-exempt organizations filing this form is approved under OMB control number 1545-0047 and is included in the estimates shown in the instructions for their information return.

If you have suggestions for making this form simpler, we would be happy to hear from you. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments).

Or you can write to:

Internal Revenue Service
Tax Forms and Publications
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send the form to this address. Instead, see *Where To File*, earlier.

VEHICLE TITLING ADDENDUM

Master Tax-Exempt Lease/Purchase Agreement dated January 19, 2024 and related Property Schedule No. 1 dated January 19, 2024, between City of Newport as Lessee and U.S. Bancorp Government Leasing and Finance, Inc. as Assignee.

1. Assignee and Lessee hereby agree to amend the above referenced Agreement to add additional terms and conditions as set forth below:

Lessee agrees that it will provide to Assignee the original title documentation to the Equipment. Lessee shall provide such title documentation to Assignee within 15 days of Lessee's receipt of such title documentation from the appropriate titling authority. Lessee's failure to provide Assignee with title documentation to the Equipment in a timely fashion shall be deemed a condition of Default as defined in the default paragraph herein subject to remedies available to Assignee pursuant to the remedies paragraph.

2. Location: Assignee agrees that in regard to the location of the equipment, Lessee must be responsible for maintaining records showing the location of each piece of Leased equipment. Lessee will report this location to Assignee upon written request by Assignee. Failure to do so shall constitute a breach of the Agreement, which default shall be governed by the terms and conditions specified in the default and/or remedies paragraph of the Agreement.

3. Lessee will complete the physical titling of the vehicle as required by the state of Lessee's residence and guarantee U.S. Bancorp Government Leasing and Finance, Inc. that U.S. Bancorp Government Leasing and Finance, Inc. will receive the original title to the leased vehicle in a timely manner. Lessee agrees to indemnify U.S. Bancorp Government Leasing and Finance, Inc. from any damage or loss it incurs, including legal fees, due to its failure to complete its agreement herein.

THE APPLICATION FOR TITLE MUST INCLUDE THE FOLLOWING AS 1ST LIEN HOLDER:

**U.S. BANCORP GOVERNMENT LEASING AND FINANCE, INC.
1310 MADRID STREET
MARSHALL, MN 56258**

By signing this Addendum, Lessee acknowledges the above changes to the Agreement and authorizes Assignee to make such changes. In all other respects the terms and conditions of the Agreement remain in full force and effect.

Assignee: U.S. Bancorp Government Leasing and Finance, Inc.	Lessee: City of Newport
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

INSURANCE AUTHORIZATION AND VERIFICATION

Property Schedule No. 1

Date: January 19, 2024

To: City of Newport (the "Lessee")

From: Municipal Leasing Consultants (the "Lessor")
7 Old Town Lane
Grand Isle, VT 05458

TO THE LESSEE: In connection with the above-referenced Property Schedule, Lessor requires proof in the form of this document, executed by both Lessee* and Lessee's agent, that Lessee's insurable interest in the financed property (the "Property") meets Lessor's requirements as follows, with coverage including, but not limited to, fire, extended coverage, vandalism, and theft:

Lessor, AND ITS SUCCESSORS AND ASSIGNS, shall be covered as both **ADDITIONAL INSURED** and **LENDER'S LOSS PAYEE** with regard to all equipment financed or leased by policy holder through or from Lessor. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification.

Lessee must carry **GENERAL LIABILITY** (and/or, for vehicles, Automobile Liability) in the amount of no less than \$1,000,000.00 (one million dollars).

Lessee must carry **PROPERTY Insurance** (or, for vehicles, Physical Damage Insurance) in an amount no less than the 'Insurable Value' \$131,996.00, with deductibles no more than \$25,000.00.

**Lessee: Please execute this form and return with your document package. Please fax this form to your insurance agency for endorsement. In lieu of agent endorsement, Lessee's agency may submit insurance certificates demonstrating compliance with all requirements.*

By signing, Lessee authorizes the Agent named below: 1) to complete and return this form as indicated; and 2) to endorse the policy and subsequent renewals to reflect the required coverage as outlined above.

Agency/Agent:	
Address:	
Phone/Fax:	
Email:	

Lessee: City of Newport
By:
Name:
Title:

TO THE AGENT: In lieu of providing a certificate, please execute this form in the space below and promptly send a PDF scan to Assignee at: EF.Docs.GLF@usbank.com - This fully endorsed form shall serve as proof that Lessee's insurance meets the above requirements.

Agent hereby verifies that the above requirements have been met in regard to the Property listed below.

Print Name of Agency: X _____

By: X _____
(Agent's Signature)

Print Name: X _____

Date: X _____

Insurable Value: \$131,996.00

ATTACHED: PROPERTY DESCRIPTION FOR PROPERTY SCHEDULE NO. 1



Government Leasing and Finance, Inc.

FIRST PAYMENT INVOICE

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

SCHEDULE NUMBER: TBD

DUE DATE: January 19, 2024

CREATE DATE: January 5, 2024

AMOUNT DUE: ~~\$22,231.01~~ 18543.58

City of Newport
222 Main Street
Newport, VT 05855
Attention: Accounts Payable Dept.
Customer Phone Number: 802-334-5136

U.S. Bancorp Government Leasing and Finance, Inc.
P.O. Box 959067
1005 Convention Plaza
St. Louis, MO 63101-9067

PLEASE RETAIN THIS PORTION FOR YOUR RECORDS

ALL PAYMENTS MUST BE SENT TO THIS ADDRESS:

U.S. BANCORP GOVERNMENT LEASING AND FINANCE, INC.
PO BOX 959067
ST. LOUIS, MO 63101

Overnight Address:
U.S. Bancorp Government Leasing and Finance, Inc.
3180 Rider Trail S.
Earth City, MO 63045

ACCOUNT: TBD
AMOUNT DUE: ~~\$22,231.01~~ 18543.58
DUE DATE: January 19, 2024
CREATE DATE: January 5, 2024

QUESTIONS? PLEASE CALL (303-585-4079)

INVOICE SUMMARY

Current Charges	\$22,231.01
Total Due	\$22,231.01

TOTAL AMOUNT DUE THIS INVOICE MUST BE PAID FOR FUNDING TO OCCUR