

AGREEMENT FOR EASEMENT

LL# 104.00

Property Address (the “Property”)	Shelburne Falls Road, Hinesburg, Vermont Tax Parcel ID No. 001708
Title Reference (Fee Interest)	Partial Decree of Distribution for the Estate of Dora E. Geprags dated December 2, 1991, recorded at Book 80, Page 106 of the Hinesburg Town Land Records.

This Agreement for Easement (“Agreement”) is made by and between Vermont Gas Systems, Inc., a Vermont corporation with its principal place of business at 85 Swift Street, South Burlington, Vermont (“VGS”); and the Town of Hinesburg, a Vermont Municipality, and its successors and assigns, (“Grantor”), effective as of the date signed by VGS (the “Effective Date”).

I. PRELIMINARY STATEMENT

- A. VGS provides natural gas service to Vermonters via a network of approximately 750 miles of underground transmission and distribution pipelines, systems and related appurtenances located in northern Vermont.
- B. VGS intends to expand its network by installing new underground transmission and distribution pipeline and related facilities in order to extend natural gas service to additional Vermont communities.
- C. VGS seeks to compensate Grantor for constructing, installing, maintaining, and operating its natural gas service utility corridor on a portion of Grantor’s “Property” (as referenced above), and to establish the terms and conditions for use of the utility corridor on the Property.

NOW, THEREFORE, for good and valuable consideration acknowledged and received, including the promises, representations, covenants and terms and conditions of this Agreement, VGS and Grantor, intending to be legally bound, do hereby agree as follows:

II. AGREEMENT

- 1. Grant of Easement. Grantor hereby agrees to grant and convey to VGS a permanent deed of easement for a utility corridor encumbering Grantor’s Property, all subject to and in accordance with the terms and conditions of this Agreement (the “Easement”).
- 2. Location of Corridor; Right of Survey. The location of the area(s) of the Property to be conveyed to VGS by Grantor in the Easement are set forth on the plat attached to this Agreement as Exhibit B, and said areas are individually and collectively referred to as the “Corridor.” VGS shall have the right to enter upon the Property from time to time to survey and confirm the location of the Corridor, and to conduct such environmental and engineering evaluations for archeological, wetland, soils and geotechnical surveys as may be required for purposes of obtaining regulatory approvals, and modifying Exhibit B for review and approval of Grantor prior to execution of the Easement.
- 3. Scope of Easement for Corridor. The Easement deed for the Corridor as described in Section 1 shall be substantially in the form as the deed attached hereto as Exhibit C.

4. Consideration. The purchase price for the Easement shall be One U.S. Dollar (\$1.00) (the “Purchase Price”), payable by VGS.
5. Taxes: VGS shall pay any Vermont Property Transfer Tax due on account of the permanent easement for the Corridor. Payment of any applicable Vermont Land Gains Tax is the responsibility of Grantor. VGS shall withhold and remit to the Vermont Commissioner of Taxes ten percent (10%) of the Purchase Price unless Grantor provides a Commissioner’s certificate of reduced or no withholding, or evidence that the Property is otherwise exempt from Land Gains Tax. If Grantor is a nonresident of Vermont, unless a reduced withholding certificate is issued by the Vermont Commissioner of Taxes in advance of delivery of the Transaction Documents (as described below), VGS shall withhold two and one-half percent (2.5%) of the Purchase Price and file a Withholding Tax Return to the Vermont Department of Taxes. If conveyance of the Easement subjects Grantor to the payment of federal tax under the Foreign Investment in Real Property Tax Act (FIRPTA), unless a withholding certificate is issued by the Internal Revenue Service, VGS shall withhold ten percent (10%) of the Purchase Price and file a Withholding Tax Return with the Internal Revenue Service. VGS shall have the right to reasonably request evidence that Grantor is exempt from payment of non-resident withholding taxes in the form of a certificate of residence or non-foreign status. In the event VGS is determined to be liable for the payment of either tax due to Grantor’s erroneous information, Grantor shall indemnify and hold VGS harmless from all such liability, together with any interest, penalties and reasonable expenses, including attorneys’ fees, incurred by VGS.
6. Transaction Documents; Timing of Payment. VGS and Grantor agree to complete the transaction contemplated by this Agreement no later than sixty (60) days following the execution of this agreement, at a date, time and place to be mutually agreed upon by Grantor and VGS’s representatives (the “Closing”). At its sole cost and expense, VGS shall prepare and provide the following to Grantor at Closing: (i) the Easement in executable form, together with the plat shown on Exhibit B; (ii) a Vermont Property Transfer Tax Return, Vermont Land Gains Tax Return, and any other tax-related documents (where required); (iii) an Act 250 Disclosure Statement (where required); (iv) a payment direction form (including to confirm the previous payment direction form); (v) a partial release of mortgage (where deemed necessary by VGS); (vi) a Form W-9; and (vii) such other instruments as may be required in VGS’s reasonable discretion to convey the Easement for the Corridor (collectively the “Transaction Documents”). To facilitate a Closing in advance of the date set forth above, VGS may forward the Transaction Documents to Grantor at Grantor’s mailing address for execution, providing Grantor with advance notice of same. The Purchase Price shall be paid to Grantor within ten (10) business days of VGS’s receipt of the Transaction Documents in fully-executed form, using the directions contained in the payment direction form.
7. Recovery of Costs and Fees. In the event that Grantor fails to execute and deliver to VGS the Transaction Documents by the Closing, VGS shall have the right to judicial relief, including an order of specific performance or for the recovery of all fees (including the Purchase Price and any recording fees), costs and expenses incurred in reasonable reliance upon Grantor’s execution of this Agreement (including but not limited to attorneys’ fees and costs in preparing documents and enforcing the agreement, together with title search fees, engineering and design costs, and any pre-construction expenses), without any right of offset by Grantor. Commencement of such an action for judicial relief shall not in any way preclude VGS from exercising other available legal or equitable rights with respect to its interest in the Corridor.
8. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties, their respective heirs, legal representatives, successors and assigns. This Agreement is solely for the

benefit of said parties and their respective successors and assigns and may not be enforced by, nor shall it be construed for the benefit of, any third party.

9. Disclosure Notice. This Agreement is a binding agreement that affects the legal rights of Grantor with respect to Grantor's Property. By signing below, Grantor agrees and acknowledges that (i) Grantor has been advised to consider retaining an attorney in negotiating the Agreement; and (ii) Grantor has either contracted the services of an attorney, or has waived its right to involve an attorney in review of this Agreement.
10. Governing Law. This Agreement shall be governed by the laws of the State of Vermont as to all matters, including but not limited to matters of validity, construction, effect, and performance.
11. Miscellaneous. This Agreement may be executed in multiple counterparts, each of which shall have the force and effect of an original and all of which together shall constitute but one and the same document. A signature or notice sent by facsimile or via email file shall have the same force as an original signature or a physical written notice. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the rest of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. In the event that either party should discover and notify the other party of clerical errors with respect to this Agreement or the Transaction Documents, the notified party agrees to provide reasonable cooperation to the notifying party in supplementing and/or re-executing this Agreement and/or the Transaction Documents in a timely manner to give effect to the purpose and intent set forth herein.
12. Recording. Upon the Closing, VGS shall have the right to record an Easement deed for the Corridor, which shall be substantially in the form as the deed attached hereto as Exhibit C, in the land records of the municipality (or municipalities) where the Corridor is located, at its sole cost and expense.

[Signature Page Follows]

IN WITNESS WHEREOF, Grantor and VGS have caused this Agreement to be executed and delivered as a sealed instrument effective as of the date countersigned by VGS below.

TOWN OF HINESBURG

VERMONT GAS SYSTEMS, INC.

By _____
[Name]

By _____
Eileen Simollardes

Its _____

Its Vice President, Expansion Projects

Date: ____/____/20____

Date: ____/____/20____

STATE OF VERMONT)
COUNTY OF CHITTENDEN)ss.:

On the ____ day of _____, 201____, before me, _____, Notary Public, personally appeared _____, known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed in the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person executed the instrument as his free act and deed, and the free act and deed of the entity shown above.

Notary Public

My Commission Expires: ____/____/____

VERMONT GAS SYSTEMS, INC.

By: _____

Title: Duly Authorized Agent

Date: _____

STATE OF VERMONT)
COUNTY OF CHITTENDEN)ss.:

At South Burlington this ____ day of _____, 201____, _____, _____ and Duly Authorized Agent of VERMONT GAS SYSTEMS, INC. personally appeared and acknowledged this instrument, by him/her sealed and subscribed, to be his/her free act and deed, and the free act and deed of VERMONT GAS SYSTEMS, INC.

Notary Public
My Commission Expires: 2/10/2015



EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

1. Golden Winged Warbler Habitat Protection & Management.

A written plan for the protection and enhancement of Golden-Winged Warbler habitat in the vicinity of the pipeline will be developed in collaboration with Mr. Mark LaBarr of Audubon Vermont. Details of this plan shall include the following:

- a. Scheduling of work (including survey & design) to avoid disruption of nesting; no construction between April 15 and July 31 unless site survey by Audubon Vermont in early July indicates no evidence of nesting activity.
- b. Planting of woody shrubs at boundaries of permanent easement to enhance the habitat specific to the Warblers. Plantings may also include additional shrubs inside the easement area as depicted on the “Riparian Zone Vegetation Management Plan” Sheet S-1, Dated 12/6/2012, attached herein at Exhibit D.
- c. Corridor maintenance plan consistent with preservation and enhancement of the existing habitat to the greatest possible extent, taking into consideration requirements for monitoring and maintenance of the pipeline. Mowing to be conducted outside of nesting season.
- d. A post-construction monitoring plan to determine impacts, if any, on the use of the area in the vicinity of the pipeline by Golden-winged Warblers.

At the Closing for easement as described in paragraph 6 above, VGS will pay Grantor the sum of One Thousand U.S. Dollars (\$1,000.00) to support the plantings as recommended by Audubon Vermont. In addition, VGS will make a donation of One Thousand U.S. Dollars (\$1,000.00) to Audubon Vermont to support the services provided to the Town in connection with the pipeline Corridor.

2. Collaboration with Hinesburg Conservation Commission.

VGS acknowledges the importance of Geprags Park to the town for its recreational and ecological values. In addition to the specific plan for protecting habitat for Golden Winged Warblers, VGS agrees to collaborate with the Conservation Commission in addressing other concerns that may arise from time to time in connection with the pipeline corridor. Specifically, VGS agrees to modify normal maintenance routines as needed to address

concerns, provided that the modifications do not jeopardize the safety and integrity of the pipeline. Further, VGS will consider modest, reasonable requests for funding where specific management options may benefit the ecology in and proximate to the corridor.

3. Distribution Service to North Road area @ Richmond Road.

VGS will extend its distribution network as shown on the attached plan in Exhibit E within two years of the service date of the new transmission pipeline, subject to the following conditions:

- a. Approval of all required Town permits for the work. The distribution pipe will not be co-located with the town's existing water main.
- b. Approval of all required State and Federal permits.
- c. Approval and easements (as required) from each mobile home park owner.

4. Energy Efficiency Services.

VGS will make available its energy efficiency programs to any Hinesburg home or business currently along the existing natural gas line. Further VGS will make its energy efficiency programs available to homes and businesses along the proposed future distribution network as shown on Attachment A.

Residential programs include: 1. Retrofit program, 2. New Construction program, and 3. Equipment Replacement Program.

Commercial programs include: 1. "Workplace Equipment Replacement and Retrofit" program, and 2. "Workplace New Construction" program.

Additional details on services and incentives are available at www.vermontgas.com

5. Low Income Household Rate Discount.

VGS offers a low income rate for eligible customers. The discount is 20% off of all components of the natural gas bill (the daily access charge, natural gas charge, and distribution charge) and is available to consumers with household incomes at or below 185% of the federal poverty level. Income eligibility is determined by the Department for Children and Families, Office of Energy Assistance. Note all customers, including low income eligible customers, pay a modest monthly fee to support the program. For a residential customer the fee is currently \$1.39 per month.

6. Additional compensation to the Town of Hinesburg totaling Seventy Five Thousand U.S. Dollars (\$75,000.00) which the town may use at its own discretion.

VGS _____
(Initial)

Grantor _____
(Initial)

EXHIBIT B
CORRIDOR PLAN

Title: "Easement Plan, Property of Town of Hinesburg, Shelburne Road, Town of Hinesburg, Chittenden County, Vermont". Dated October 25, 2013.

[Attached]

EXHIBIT C

DEED OF EASEMENT LL# 104.00

KNOW ALL PERSONS BY THESE PRESENTS: That the Town of Hinesburg, a Vermont Municipality, hereinafter called GRANTOR, for and in consideration of the sum of one dollar and other valuable consideration, paid to our full satisfaction by VERMONT GAS SYSTEMS, INC., a Vermont corporation having its principal place of business at South Burlington, in the County of Chittenden and State of Vermont, hereinafter called VGS, the receipt whereof is hereby acknowledged, do hereby GIVE, GRANT, BARGAIN, SELL, CONVEY, and CONFIRM unto VGS, its successors and assigns, perpetual and exclusive rights and easements over, across and under our land located in the Town of Hinesburg, County of Chittenden and State of Vermont, free from all encumbrances whatsoever, except as set forth in Exhibit A hereto, if any, said easements being described as follows:

The perpetual, exclusive right to construct, reconstruct, maintain, move, relocate, alter, inspect, repair, replace, remove, and change the size of, an operating pipeline to be used by VGS for the transportation of gaseous energy products, together with the right to temporarily install a second pipeline in connection with repairs, alterations, and/or relocations, and the right to abandon such pipeline(s) in place. As used herein, the term "pipeline" shall include such surface or subsurface appurtenances and facilities as reasonably deemed necessary or convenient by VGS for its operation or maintenance.

The lands and premises where the pipeline will be located is referred to herein as the "Corridor", and consists of a portion of the real property conveyed to GRANTOR by Partial Decree of Distribution for the Estate of Dora E. Geprags dated December 2, 1991, recorded in Book 80, Page 106 of the TOWN of Hinesburg Land Records, said real property being presently designated by the municipality as "Route 116 W/S", Parcel ID: 001708 (the "Property"). The location of the Corridor on the Property is depicted on the plan attached hereto as Exhibit B.

The Corridor shall be fifty (50) feet in width, and shall extend twenty-five (25) feet on each side of the centerline of the pipeline as installed, except where the pipeline is otherwise depicted on the plan attached as Exhibit B. If the pipeline is relocated at a future date, said pipeline shall remain within the fifty (50) foot wide Corridor easement as established by the original installation.

GRANTOR shall reserve the right to fully use and enjoy the Property in any manner that will not prevent, or interfere with, VGS's use of the Corridor, and except as otherwise limited herein. GRANTOR shall covenant and agree not to construct, install or permit the construction or installation of any structures or objects of any kind upon or under the surface of the ground in the Corridor, not to store or place any objects within the Corridor, and not to change the elevation of the ground within the Corridor, without the prior written consent of VGS, which VGS may withhold or condition in its reasonable discretion. To the extent the location Corridor overlaps with any pre-existing easement for electrical transmission lines and related appurtenances, the grant of easement hereunder shall be deemed non-exclusive only to the extent of such overlap.

VGS shall have the right to engage in all actions and activities consistent with the use of the rights and easements hereby granted including, but not limited to, (i) the right, during and in preparation for the construction, installation or maintenance of the pipeline and related facilities or any of their appurtenances, to place and store materials and equipment on the Property proximate to the Corridor, provided that VGS shall return any lands used for such purposes to their previous condition as soon as practicable after the completion of such construction, installation or repair; (ii) the right to cut down, remove and keep cleared by such means as VGS deems desirable, at any and all times, trees, underbrush and vegetation as in the judgment of VGS may interfere with or endanger the operation or maintenance of

said pipeline, facilities or appurtenances; and (iii) the right to install and maintain both within and proximate to the Corridor, such erosion prevention and sediment control measures as in the judgment of VGS are reasonable and necessary to maintain and operate the pipeline facilities.

VGS shall have the right of ingress and egress over the Property at convenient points determined by VGS for the exercise of the rights and easements herein granted, provided, however, that said rights and easements must be exercised in a careful manner and any damages to such other property of GRANTOR caused by VGS, other than as contemplated herein, shall be borne by VGS. In exercising ingress and egress rights, VGS shall use reasonable judgment to minimize inconvenience to GRANTOR.

VGS will bury all its facilities to a minimum of at least thirty-six (36) inches below the surface of the ground, except in continuous rock areas where the minimum depth will be at least twenty-four (24) inches below the surface of the ground, and except those appurtenances that will be located at ground level or above the ground.

VGS and its successors and assigns shall have the right to assign to others, in whole or part, any or all of the rights and easements herein set forth.

TO HAVE AND TO HOLD the above granted rights and easements, with all privileges and appurtenances thereunto belonging, unto VGS and its successors and assigns forever, to it and their own proper use, benefit and behoof; and also GRANTOR, for itself and its successors and assigns, covenant with VGS and its successors and assigns that at and until the execution of these presents GRANTOR is the sole owner of said premises as an estate in fee simple, and has good right to sell and convey the rights and easements aforesaid in manner and form above written, and that the same are free from all encumbrances whatsoever, except as set forth in Exhibit A hereto, if any, and furthermore GRANTOR, for itself and its successors and assigns forever warrant and defend the same to said VGS and its successors and assigns forever against all claims and demands whatsoever except any and all easements and land use permits of record.

The foregoing shall be binding upon and shall inure to the benefit of the respective executors, administrators, heirs, successors and assigns of GRANTOR and VGS.

IN WITNESS WHEREOF, GRANTOR have hereunto set its hand this ___ day of _____, A.D., 201___.

GRANTOR

[Name]

Its: _____

STATE OF VERMONT)
COUNTY OF CHITTENDEN)ss.:

On the ___ day of _____, 201___, before me, _____, Notary Public, personally appeared _____, known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is/are subscribed in the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature on the instrument, the person(s) executed the instrument as his/her/their free act and deed and the free act and deed of the entity shown above.

Notary Public
My Commission Expires: ___/___/___



EXHIBIT A (DEED of EASEMENT):
ENCUMBRANCES

EXHIBIT B (DEED of EASEMENT):
CORRIDOR PLAN

Title: "Easement Plan, Property of Town of Hinesburg, Shelburne Road, Town of Hinesburg, Chittenden County, Vermont". Dated October 25, 2013.

EXHIBIT D
Riparian Zone Vegetation Management Plan
[Attached]

EXHIBIT E

VGS Proposed Future Distribution Network – North Road Area

[Attached]