

## LEASE AGREEMENT

This Lease Agreement made this \_\_\_\_ day of \_\_\_\_\_ 2025, by and between Town of Charlotte (hereinafter referred to as “Lessor”), and Lewis Excavating, LLC (hereinafter referred to as “Lessee”).

In consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, and in reliance on the representations and warranties contained herein, Lessor and Lessee hereby agree as follows:

1. Lease of Premises. Lessor hereby leases and lets to Lessee, and Lessee hereby takes, leases and lets from Lessor, the land and 8,640 square foot building thereon known and referred to as the Charlotte Town Garage located at 3630 Ethan Allen Highway in Charlotte, Vermont, (the “Premises” herein) for a term commencing on March 5, 2024, and ending at 11:59 PM on March 4, 2025, unless sooner terminated as herein provided (the “Term”). This lease may be renewed by mutual agreement of the parties for additional, similar one-year periods provided Lessee is re-elected as Town Road Commissioner.

The Premises include the right of Lessee, its agents, invitees, licensees, business visitors, and guests, in common with Lessor: (i) to cross and re-cross the driveways, the parking lot, walkways and open lands on Lessor’s Property for the purpose of ingress and egress from and to the Premises; and (ii) to use in common with Lessor on a first come, first served basis, the parking area located on Lessor’s Property. Lessor retains the right to relocate such parking area, driveways, walkways of Lessor’s Building and to establish reasonable rules and regulations for their use, but no such relocation, rule or regulation will materially adversely affect Lessee’s ability to use and enjoy the Premises for the purposes hereinafter specified.

The Premises shall be subject to the following: (a) covenants, restrictions, easements and rights-of-way of record; (b) zoning regulations, ordinances, buildings restrictions, regulations and permits of any municipal, county, state or federal department having jurisdiction over the Premises; and (c) the provisions of all other applicable laws, statutes, ordinances and public acts.

2. Rent Payable. During the Term, the Lessor shall be entitled to receive rent for the Premises in the amount of Five Hundred Dollars (\$500.00) per month, payable in advance, with the first payment being due upon execution of this Lease, and with each subsequent payment being due and payable on or before the 15<sup>th</sup> day of each subsequent month through the Term. Rent payments shall be delivered to Lessor at the Charlotte Town Office, 159 Ferry Road, P.O. Box 119, Charlotte, VT 05445, c/o Town Treasurer.
3. Security Deposit. No security deposit shall be paid by Lessee.
4. Utility Services. Lessor shall arrange for the provision of all required utility services to the Premises during the Term. Lessor does not warrant the quality or adequacy of the utilities obtained by it and does not warrant that any of the utilities or services will be free from interruption due to causes beyond Lessor’s reasonable control. Any such interruption, and any inability by Lessor to fulfill this lease obligation because of any interruption or unavailability of utility service will not be considered an eviction or

disturbance of Lessee's use and possession or enjoyment of the Premises or render Lessor liable to Lessee for damages or relieve Lessee from its obligation under this Lease.

5. Condition of the Premises. Lessee shall keep the Premises clean and in good condition and repair, reasonable wear and tear excepted. The Lessee acknowledges that its employees or representatives have examined the Premises and that they are, at the time of commencement of this Lease, in good order and repair, safe and clean, and suitable for Lessee's occupancy and intended uses.

Lessee shall maintain an adequate temperature within the Premise to ensure the continued operation of the geothermal heating systems.

Lessee shall immediately notify Lessor of any substantial damage or destruction of the Premises, and of any mechanical or system malfunctions within the Premises affecting the Lessee's use, occupancy, or enjoyment of the Premises.

Lessee shall not make any renovations, alterations, or modifications to the Premises without Lessor's advance written consent.

No smoking of any kind is permitted inside the Premises.

Upon the expiration or termination of the Lease, the Lessee shall vacate the Premises, remove all personal property therefrom, and return the Premises to Lessor in its present condition, reasonable wear and tear excepted.

6. Lessor Access During Term. Lessor, upon reasonable advanced notice to the Lessee, shall have the right to enter the Premises at any reasonable time for the purpose of inspection, maintenance or repair, and efforts to re-let the Premises, and this right shall extend to the lawful employees and agents of the Lessor.

7. Subletting Prohibited. Lessee shall not sublet the Premises, nor assign this Lease or any part thereof. Occupancy of the Premises shall be limited to the Lessee and said Premises shall only be occupied as office space.

8. Use and Occupancy of the Premises. Lessee shall use and occupy the Premises as a location to store, maintain and repair its/his vehicles and equipment necessary for Lessee to fulfill his/its duties and responsibilities as the Town of Charlotte Road Commissioner, and Lessee shall not use the Premises for any other purpose without Lessor's consent. Lessee shall operate the Premises and Lessee's business in a manner consistent with the character and quality of the Premises. Lessee shall keep the area of the Premises in a neat, clean and safe condition consistent with the intended use of the Premises. Lessee shall have 24-hour access to the Premises seven days a week; provided, however, that in occupying the Premises, Lessee shall not operate its business so as to overburden or exceed the capacity of the utility services installed in or servicing the Premises. Lessee shall be responsible, at Lessee's sole costs and expense, to obtain any and all federal, state, and municipal permits and approvals that may be required in connection with its use, occupancy and operation of the Premises.

Lessee acknowledges that the Premises are a "non-smoking facility" and that no smoking shall be permitted inside the Premises.

In regard to the use and occupancy of the Premises, Lessee shall not: (i) permit undue accumulations of garbage, trash, rubbish or other refuse within or outside of the Premises; (ii) cause or permit objectionable odors to emanate or to be dispelled from the Premises; (iii) commit, or suffer to be committed, any waste upon the Premises or any public or private nuisance; (iv) use or allow use of the Premises

or any part thereof for any unlawful purpose(s) or in a manner offensive to the Lessor, or neighboring properties. Lessee shall not make any use of the Premises, nor permit the same to be used, in any fashion which does or might cause the Premises to be no longer insurable at reasonable rates or on reasonable terms.

9. Taxes. Lessee shall pay when due all taxes assessed against the Lessee on account of the Lessee's personal property on the Premises, and Lessee's use and occupancy of the Premises under this Lease. The term "when due" as used in this Lease means on or before the date Lessee will incur penalties for the failure to pay such taxes.

10. Lessee to Comply with Laws, Etc. Lessee, at its own cost and expense, shall comply with any and all requirements imposed by present and future statutes, laws, ordinances, acts, rules, regulations, orders and requirements of every kind and nature, affecting the Premises or Lessee's use and occupancy thereof. Lessee will further, at all times during the term of this Lease at Lessee's own cost and expense, indemnify and save harmless Lessor against and from and shall pay in full upon demand by Lessor any and each loss incurred, or penalty, claim or damage suffered, imposed, made or recovered by reason of the failure or neglect of Lessee or its agents, contractors, employees or representatives to observe and comply with such laws, ordinances, rules, regulations and requirements.

11. Insurance.

a. Casualty Insurance. Lessee shall be responsible for maintaining any and all insurance upon Lessee's property in and upon the Premises, by policies which shall name Lessor as an additional insured, as Lessor's interests may appear, and Lessor shall not be held responsible for any damage thereto. Neither Lessee nor Lessor, nor their respective agents, employees or guests, shall be liable to the others for any loss or damage to the Premises by fire or any other cause within the scope of such fire and extended coverage insurance, it being understood that the parties shall look solely to the insurer for reimbursement for such loss or damage; provided, however, that this provision shall not release Lessee from liability for any damage caused by Lessee that exceeds such insurance coverage or which is not reimbursable by Lessor's insurer.

Lessee agrees to indemnify and hold harmless the Lessor from and against any loss, cost, damage and expense resulting from destruction of any property caused by or arising out of any act, omission or neglect of Lessee's officers, agents, servants, employees, or persons in, upon or about the Premises at the Lessee's invitation or with its consent.

b. Liability Insurance. Lessee, at Lessee's own cost and expense, will maintain a policy or policies of liability insurance insuring Lessor and Lessee against all claims or demands for personal injuries to or death of any person, and damage to or destruction or loss of property, which may or may be claimed to have occurred on the Premises or been caused by Lessee. Such policies shall be in an amount not less than Two Million Dollars and 00/100 (\$2,000,000.00) for injury to or death of any one person or for damage to or destruction or loss of property. On or before the Commencement Date and thereafter upon demand by Lessor, Lessee shall deliver to Lessor certificates of such insurance coverage, which certificates shall name Lessor as an additional insured. Lessee shall not do or commit any act upon the Premises or bring into or keep upon the Premises any article, which will affect the fire risk or increase the rate of insurance or other insurance on the underlying property in which the Premises are located. Should the rate of any type of insurance on the underlying property be increased by reason of violation of the terms of this Lease by Lessee or by the use made of the Premises by Lessee, Lessor, in addition to all other rights and remedies may pay the amount of such increase and the amount so paid shall be paid by Lessee as Additional Rent.

12. Disclaimer for Security. Lessee is solely responsible for all personal property placed upon the Premises during the term of this Lease, which responsibility includes, by way of illustration and not by way of limitation, payment of all taxes and fees assessed against such personal property and insurance for all personal property. Further, at the expiration or earlier termination of this Lease, Lessee shall remove its personal property from the Premises exercising due care not to damage the Premises by such removal. Lessee shall repair all damage done to the Premises by the removal of said personal property.

Lessee acknowledges that the Premises are not furnished with a security system and Lessee shall be responsible, at its own cost and expense, for installing a security system and or other security measures for the protection of the Premises and Lessee's personal property stored therein. Lessor shall not be held liable for any loss or damage to Lessee's personal property, fixtures or fit-up by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. Lessee acknowledges that Lessor is not an insurer and Lessee assumes all risk of loss to its personal property, fixtures and fit-up, and further acknowledge that neither Lessor nor its agents have made any representation or warranty, nor has Lessee relied upon any representation or warranty, express or implied, including any warranty of merchantability or fitness for any particular purpose relative to any security measures recommended or undertaken.

13. Default; Remedies; Damages.

a. Each of the following shall constitute an Event of Default:

1. Lessee shall fail to pay when and as due any Rent or Additional Rent payable under this Lease; or
2. Lessee shall fail to perform or comply with any of the agreements, terms, covenants or conditions in this Lease, other than those referred to in Subsection 18 Default; Remedies; Damages a.1., for a period of thirty (30) days after written notice from Lessor to Lessee specifying the items in default, or in the case of a default or contingency which cannot with due diligence be cured within said thirty (30) day period, Lessee shall fail to commence within said thirty (30) day period the steps necessary to cure the same and thereafter to prosecute the curing of such default with due diligence (it being understood that the time of Lessee within which to cure shall be extended for such period as may be necessary to complete the same with all due diligence); or
3. Lessee shall file a voluntary petition in bankruptcy or shall be adjudicated as bankrupt or insolvent, or a receiver or trustee shall be appointed of all or substantially all of the property of Lessee and not be dismissed within 60 days or Lessee shall make any assignment for the benefit of Lessee's creditors.

b. For so long as an Event of Default shall exist and be continuing, Lessor may give written notice to Lessee specifying the Event of Default and stating that Lessee's rights to the possession, use and occupancy of the Premises under this Lease shall expire and terminate on the date specified in such notice, which date shall be at least ten (10) days after the giving of notice, and upon the date so specified, all rights of Lessee under this Lease shall so expire and terminate.

c. Upon termination of Lessee's rights to possession, use and occupancy of the Premises under the Lease Agreement in accordance with the provisions of Subsection Default; Remedies; Damages b., above, Lessor

shall by prompt written notice to Lessee elect to receive from Lessee an amount equal to: any Rent, Additional Rent and any damages which shall have been due or sustained prior to such termination, all reasonable costs, fees and expenses (including, but not limited to, reasonable attorneys' fees) incurred by Lessor in pursuit of its remedies hereunder. Such damages shall be payable to Lessor in one lump sum on demand.

Upon any termination of this Lease, Lessee shall immediately vacate the Premises and surrender the same to Lessor in the same condition as received, reasonable wear and tear expected. In the event Lessee fails to so vacate and surrender the premises, Lessee shall pay all costs reasonably incurred by Lessor in requiring Lessee to vacate, including reasonable attorneys' fees and disbursements and, further, will pay Lessor a daily occupancy charge equal to one hundred twenty-five percent (125%) of the average daily rental payable by Lessee until Lessee vacates the Premises as provided in the terms of this Lease. Lessee expressly agrees that, for so long as any Event of Default shall exist and be continuing, Lessor shall have the right to immediately regain possession of the Premises and to exclude Lessee from further use, occupancy and enjoyment thereof, and Lessee waives any and all claims which it may have against Lessor, regardless of when the same arise, on account of such regaining of possession by Lessor or such exclusion. Upon the termination of this Lease, Lessee will remove all goods and effects not the property of Lessor, at Lessee's expense. Any damage thereby caused to the Premises shall be promptly repaired by Lessee, at Lessee's expense. At Lessor's option, any goods and effects not so removed shall be deemed abandoned by Lessee and thereupon shall become the sole property of Lessor. In the event Lessee shall fail or refuse to vacate the Premises without breach of the peace after termination, Lessor shall have all rights and remedies as may be available under applicable law at the time of the occurrence of the Event of Default.

14. Termination. This Lease may be terminated by Lessor in the event of Lessee's failure to pay the rent as required above, or for the breach of any other covenant or obligation of the Lessee herein contained or if Lessee shall cease to be the Town of Charlotte Road Commissioner, in which case, Lessor may re-enter the Premises, and this Lease shall thereupon terminate. Lessor and Lessee specifically agree that in the event Lessor desires to terminate this Lease as hereinabove provided, notice of termination shall be given. Notice shall be effective immediately upon its dispatch as described below.

On the termination of the Term, Lessee shall: (a) immediately vacate the Premises and surrender the same to Lessor; (b) repair all damage to the Premises and the fixtures and personal property of Lessor located on the Premises caused by Lessee's removal of its furniture and trade fixtures; and (c) abandon all improvements, alterations and modifications made by Lessee to the Leased Premises prior to the date of termination, in which event such improvements, alterations and modifications shall be and become, without further action on the part of Lessee, the property of Lessor, free and clear of all claims by Lessee and any person claiming by, through or under Lessee.

Lessee's obligation to indemnify Lessor under Section Lessee to Indemnify, and Lessee's Environmental Covenants under Section Environmental Covenants shall survive the termination or expiration of this Lease.

15. Holding Over. Any holding over after the expiration of the term hereof shall be construed to be a tenancy from day to day only, at the rate of one hundred twenty-five percent (125%) of the rent in effect immediately prior to such expiration (prorated on a daily basis) and otherwise on the terms and conditions herein specified so far as applicable.

16. Quiet Enjoyment. Lessor covenants that Lessee, on paying all rent required to be paid by Lessee and performing the other covenants and undertakings by Lessee to be performed hereunder, shall and may peaceably have and enjoy said



performance of any such act shall be extended for a period equivalent to the period of such delay.

24. Environmental Covenants.

a. Without limiting the generality of its other covenants hereunder, Lessee agrees in regard to the use and occupancy of the Premises to comply with all environmental laws, rules, regulations, statutes and ordinances, including, without limitation, those applicable to "hazardous substances." Lessee unconditionally, absolutely and irrevocably indemnifies and agrees to defend and hold harmless Lessor and its officers, employees, agents, contractors and those claiming by, through or under Lessor, from and against and to pay in full on demand by Lessor all loss, cost and expense (including, without limitation, attorneys' fees and disbursements and fees of other professionals advising Lessor) of whatever nature suffered or incurred by Lessor on account of the existence on the Premises, or the release or discharge from the Premises, of "hazardous substances," including, without limitation, any claims, costs, losses, liabilities and expenses arising from the violation (or claimed violation) of any environmental laws or the institution of any action by any party against Lessee, Lessor or the Premises based upon nuisance, negligence or other tort theory alleging liability due to the improper generation, storage, disposal, removal, transportation or treatment of hazardous substances or the imposition of a lien on any part of the Premises under the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq., as amended ("CERCLA"), and the Vermont Waste Management Statutes, Vt. Stat. Ann. Title 10, Ch. 159, or any other laws pursuant to which a lien or liability may be imposed on Lessor due to the existence of hazardous substances, in each case to the extent any of the foregoing was caused by Lessee. Lessee further unconditionally, absolutely and irrevocably guarantees the payment of any costs, fees and expenses incurred by Lessor in enforcing or seeking enforcement of the liability of Lessee under this indemnification. Notwithstanding anything in this Section to the contrary, Lessor agrees that Lessee shall only be liable for, and the foregoing indemnification shall only apply with respect to, any such violation or claim of violation of any such environmental laws which occurs or is claimed to have occurred during any period in which Lessee is occupying or operating the Premises and only to the extent proven to have been caused by Lessee. Lessor hereby agrees that as between Lessor and Lessee, Lessor, its agents and employees, shall be held responsible for any damages or liability on account of the existence on the Premises, or the release or discharge on or from the Premises, of hazardous substances to the extent caused by an act, omission, fault, negligence or misconduct of Lessor, its officers, employees, agents, contractors, and those claiming by, through or under Lessor. In addition, Lessor hereby agrees that Lessee shall not be held responsible for any damages or liability on account of the existence on the Premises, or the release or discharge on or from the Premises, of hazardous substances not caused by Lessee or which occurred prior to the date on which Lessee or its agents first entered the Premises.

b. Lessee's obligation to indemnify Lessor under this provision shall survive the termination of this Lease, by expiration of the Term or otherwise, for the period of time during which: (i) Lessor may be held liable; or (ii) a penalty may be imposed upon Lessor, for Lessee's acts in violation of the covenants contained in this Section plus an additional six (6) years.

c. For the purposes of this Section, "hazardous substances" shall mean and include, but shall not be limited to, any element, substance, compound or mixture, including disease-causing agents, which after release into the environment or work place and upon exposure, ingestion, inhalation or assimilation into any organism, either directly or indirectly, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction or physical deformations in such organisms or their offspring, and all hazardous toxic

substances, wastes or materials, any pollutants or contaminants (including, without limitation, asbestos and raw materials which include hazardous constituents), or any other similar substances, or materials which are included under or regulated by any local, state or federal law, rule or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, CERCLA and regulations adopted pursuant to such Act, the Toxic Substances Control Act of 1976, as heretofore or currently in effect ("TSCA") and the Resource Conservation and Recovery Act of 1976, as heretofore or currently in effect ("RCRA"), and the Vermont Waste Management Statute.

25. Entire Agreement; Amendment. This Lease embodies the entire agreement and understanding between the parties relating to the subject matter hereof and there are no covenants, promises, agreements, conditions or understandings, oral or written, except as herein set forth. This Lease may not be amended, waived or discharged except by an instrument in writing executed by the party against whom such amendment, waiver or discharge is to be enforced.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals the date above recited.

LEWIS EXCAVATING, LLC

TOWN OF CHARLOTTE

By: \_\_\_\_\_  
Its Duly Authorized Agent,  
Lessee

By: \_\_\_\_\_  
Its Duly Authorized Agent,  
Lessor

STATE OF VERMONT  
COUNTY OF CHITTENDEN, SS.

On this \_\_\_\_ day of \_\_\_\_\_ 2025, personally appeared \_\_\_\_\_, Duly Authorized Agent of TOWN OF CHARLOTTE, VERMONT to me known to be the person who executed the foregoing instrument, and he acknowledged this instrument, by him signed, to be his free act and deed and the free act and deed of TOWN OF CHARLOTTE, VERMONT.

Before me, \_\_\_\_\_  
Notary Public

Printed Name: \_\_\_\_\_

My Commission #: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

STATE OF VERMONT

COUNTY OF CHITTENDEN, SS

On this \_\_\_\_ day of \_\_\_\_\_ 2025, personally appeared \_\_\_\_\_, Duly Authorized Agent of \_\_\_\_\_, to me known to be the person who executed the foregoing instrument, and he/she acknowledged this instrument, by him/her signed, to be his/her free act and deed and the free act and deed of \_\_\_\_\_.

Before me, \_\_\_\_\_  
Notary Public

Printed Name: \_\_\_\_\_

My Commission #: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

DRAFT