

***AGENDA***

***SPECIAL MEETING***

***SOUTH WINDSOR TOWN COUNCIL***

**COUNCIL CHAMBERS  
SOUTH WINDSOR TOWN HALL**

**SATURDAY, SEPTEMBER 19, 2015  
TIME: 9:00 A.M.**

- 1. Call Meeting to Order**
- 2. Roll Call**
- 3. Strategic Planning Session**
- 4. Adjournment**

## **RESOLUTIONS**

### ***SPECIAL MEETING***

**AUGUST 26, 2015**

#### **6. Special Business**

##### **B. Resolution Concerning Fuel Cell Payment Agreement (Councilor Wagner)**

WHEREAS, the Town of South Windsor has been negotiating with CTS Energy, Connecticut Studios, and DCK regarding the development of land located along Ellington Road in the I 291 corridor; and

WHEREAS, the negotiations involve a mixed use development that is intended to bring a significant amount of tax revenue to the Town of South Windsor; and

WHEREAS, the negotiations involve the construction of a 4.98 megawatt fuel cell electric generation facility, such fuel cell not being taxable by the Town; and

WHEREAS, the development previously was intended to involve the construction of a movie studio facility, a portion of the taxes from which would pay for public infrastructure for the project; and

WHEREAS, the current owner and developer of the project has determined that the movie studio project does not appear to be financially viable, at least in its full scope and scale; and

WHEREAS, the fuel cell will provide certain benefits to the Town and the developer (including the generation of stable and uninterrupted electricity for the Town's emergency use and for the project's tenants), revenue from the sale of electricity, and an opportunity to build a microgrid to which cost is reimbursable through a State grant; and

WHEREAS, the current owner and developer has proposed a mixed use development containing: (a) up to five buildings totaling up to 225,000 gross square feet for commercial uses; (b) one or two large scale buildings totaling up to 150,000 gross square feet for industrial uses; (c) one full service restaurant, and (d) up to 50,000 gross square feet of retail space and additional or alternative facilities and improvements; and

**(Resolution Continued on Next Page)**

**RESOLUTIONS**  
**Special Meeting – Town Council**  
**Wednesday, August 26, 2015**

**6. B. (Continued)**

WHEREAS, the Town has negotiated an agreement with the owner and developer, whereby the owner and developer will pay the Town \$514,000 per year which sum shall be used to pay for certain infrastructure improvements.

NOW, THEREFORE, BE IT RESOLVED that the Town of South Windsor hereby authorizes the Town Manager to sign a fuel cell payment agreement between the Town and the owner and developer which provides for the following:

The fuel cell will provide stable and uninterrupted electricity to the developing through a microgrid.

1. The Town will form a single purpose 501c3 entity which will issue tax exempt revenue bonds to fund: \$2,750,000 for the microgrid, \$3,250,000 public infrastructure Improvements related to the Development, and up to \$2,000,000 for emergency service improvements.
2. The Developer will build a 4.98 megawatt fuel cell electric generation facility to generate revenue from the sale of electricity as set forth in the Power Purchase Agreement between CTS Energy and Eversource Energy.
3. The Town will apply for a microgrid design and installation grant of \$2,750,000 from the Microgrid Pilot Program facilitated by Connecticut Department of Energy and Environmental Protection ("DEEP").
4. Public infrastructure improvements shall be up to \$3,250,000 which shall run from the entrance on Chapel Road to the roundabout/cul-de-sac as depicted on various site proposals.
5. Emergency services improvements shall be up to \$2,000,000 and may include onsite public sheltering, an onsite transformer pad that would provide the Town with access to emergency power from the fuel cell, extending power lines from the microgrid to the Town facilities for emergency sheltering.
6. The Town agrees to support amendments to the PPA and assist in obtaining support from the State, including the Connecticut Department of Economic Development, Eversource, and regulatory approval from the Public Utilities Regulatory Authority.
7. When the fuel cell becomes operational, CTS Energy will pay the Town \$514,000 annually for a total of twenty (20) years.

**(Resolution Continued on Next Page)**

**RESOLUTIONS**  
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**6. B. (Continued)**

8. The \$514,000 payment obligation shall be binding upon CTS Energy and its assigns, and shall remain binding upon the lawful owner of the fuel cell, and this obligation shall not be dischargeable in bankruptcy.
9. The \$514,000 payment obligation shall be due and owing the Town regardless of whether the Developer has undertaken the development.

**7. Adjournment**