

**MEMORANDUM BETWEEN
THE TOWN OF CALAIS, a Vermont Municipal Corporation
and
THE CURTIS POND ASSOCIATION, a Vermont Incorporated Non-Profit
Association**

This is a memorandum of understanding concerning the potential renovation of the Curtis Pond Dam (the “Dam”) between the Town of Calais, a Vermont Municipal Corporation (the “Town”) and the Curtis Pond Association (“CPA”) a Vermont incorporated non-profit association, together referred to herein as the “Parties”. The CPA is made up of community members whose interest is to ensure that Curtis Pond (the “Pond”) remains a wonderful resource for generations. A working committee representing the CPA, called the “Dam Exploratory Group (DEG),” has been formed to assist in this endeavor. The memorandum is effective on November __, 2021.

Recitals

The Curtis Pond Dam, constructed about 100 years ago, united a number of small water bodies to create Curtis Pond. The Dam Safety Program of the Vermont Department of Environmental Conservation has rated the Dam as a Significant Hazard, one that is in weakened condition, and if breached would result in substantial property damage. A major storm event could put pressure on the Dam or overtop the Dam, causing its collapse. In the event of such collapse, it is unlikely that the State would permit the construction of a replacement dam.

Should the Dam collapse, the Pond would become substantially smaller, most of its footprint reduced to a wetland as opposed to the current open water. In that event, the Town-owned beach and camping island would become unusable. The boat launch run by the State of Vermont would become inoperable, and the long-standing Calais swim program would cease to exist. The village of Maple Corner within the Town would lose much of its summer population, which in turn would likely cause the failure of the Maple Corner Community Store (MCCS). A breach of the Dam would cause substantial flooding, seriously damaging both a dozen or so private properties as well as a public right-of-way.

In the event of the loss of the Pond due to Dam breakage or overtopping, the property, currently along the shore of the Pond, would instead be adjacent to a wetland or dry land, thus losing the biological, viewshed, boating, skating, swimming, fishing and other recreational benefits of water adjacency. Properties within easy walking distance of the Pond would similarly suffer from the loss of access to water. This would result in reduction in value of those properties conservatively estimated at 25 percent but possibly much greater in the case of many such properties. The Town would lose substantial assessed value, which absent an immediate reduction in the Town budget, would require a compensatory increase in taxes for all properties in the Town, an increase comparable

or greater than that which would be required if the Town taxpayers paid for the entire cost of the Dam renovation.¹

For these reasons, the Parties each are interested in exploring ways to permit and finance a renovation of the Dam such that the structure (1) preserves Curtis Pond as a public amenity of central importance to the Town; (2) meets applicable State of Vermont dam safety guidelines; (3) is paid for to the maximum extent possible by grants and donations, and to the extent that assessment financing is required, such financing is structured to distribute the cost fairly among property owners along the shore, nearby property owners, and the remainder of Town property owners benefiting from the Pond; and (4) is insurable by an entity that insures Vermont Town facilities.

Accordingly, the Parties enter into this preliminary Memorandum of Understanding which sets forth a potential path forward for the Dam renovation, and reflects the desire of the Parties to move forward with the renovation subject to the procedural requirements of State law, regulation and policy, and the retained discretion of the Select Board.

Agreement

The Parties hereby agree to the following:

1. The Town will explore ways to move forward with renovation of the Dam.
2. The CPA though its Dam Exploratory Group will assist the Town in this effort, will assist the Town in seeking grants, engage in a campaign to raise funds to contribute to the cost of the renovation, and encourage property owners along the shore, nearby property owners and Town citizens to support the Dam renovation.
3. The Town and CPA though its Dam Exploratory Group will jointly sponsor informational meetings in various locations in the Town to inform Town citizens of the need for renovation of the Dam, the benefits and issues relating to such renovation, and the costs and possible avenues for paying for the Dam renovation.
4. The Parties will cooperate in seeking a permit from Dam Safety Program of the Vermont Department of Environmental Conservation (DEC) and any other necessary body to allow renovation of the Dam.
5. When funding is available, the Town will consider issuance of a request for proposal and award of a contract to complete engineering drawings for the Dam renovation.

¹ See *Curtis Pond Exploratory Group Summary* discussed at the Select Board meeting of May 24, 2021. See <https://curtispond.files.wordpress.com/2021/05/curtis-pond-dam-exploratory-group-summary.pdf>.

6. If additional funding beyond such grants and donations is required, the Town and the CPA through its Dam Exploratory Group will in good faith negotiate the terms of proposed assessment district financing.
7. At a point in the Dam approval and financing process the Town considers appropriate, in its sole discretion, it will consider entering into a contract with the CPA and each of the owners of property near the dam who might have any legal interest in the dam that provides for said owners to quitclaim their interests, if any, to the Town, such that the Town may record said quitclaim deeds and thus take title to the Dam when and if it is fully permitted, renovated to applicable State standards, and insurable.
8. Upon DEC approval of a permit for the renovation of the Dam, and the funds or assessment financing is in place, the Town will consider issuance of a request for proposal and an award for a construction contractor to undertake the renovation.
9. This agreement sets out an agreed possible framework for moving forward on the Dam renovation process, but it is not intended to contractually bind the Parties. This exploration effort is subject to all of the substantive and procedural requirement of State and Town law, regulations and policy, any Town voter approval required or requested by the Town, and the retained discretion of the Town to acquire or not acquire a renovated dam.

We agree to the forgoing.

Calais Select Board

Curtis Pond Association
By its executive team

Denise Wheeler, chair

Colleen Bloom, President

Sharon Winn Fanon, Board Member

Jamie Moorby, Vice President

John Brabant, Board Member

Reenie De Geus, Secretary

Rick Kehne, Board Member

Ginger Clammer, Treasurer

Marc Mihaly*, Board Member

(*While Marc is a member of the Select Board, he has recused himself on all matters relating to the dam and signs here as an individual board member of CPA.)