



## RESOLUTION

APPROVING AN AMENDMENT TO THE LEASE AND OPERATING AGREEMENT  
WITH AVSG LP

### *CITY OF NASHUA*

*In the Year Two Thousand and Seventeen*

**RESOLVED** by the Board of Aldermen of the City of Nashua that the attached Amendment to Lease and Operating Agreement between the City of Nashua and AVSG LP regarding the approval of a five (5) year lease renewal bringing the new term through May 1, 2026 and the revised pricing to \$2.409 DGE is hereby approved.

**LEGISLATIVE YEAR 2017**

**RESOLUTION:**

**R-17-148**

**PURPOSE:**

**Approving an amendment to the Lease and Operating Agreement with AVSG LP**

**ENDORSERS:**

**Mayor Jim Donchess**

**COMMITTEE  
ASSIGNMENT:**

**FISCAL NOTE:**

This agreement executes the five year extension included in the original agreement to May 1, 2026.

From a revenue perspective, the Lease and Operating Agreement provides for monthly rental payments from the lessee as determined by the fee schedule contained in the Agreement. The calculation of the rental fee is based upon the CNG station's diesel gallon equivalent (DGE) sales in each month. In addition, there is also the opportunity for the City to receive royalty payments from the lessee for DGE sales to persons other than the city of Nashua.

From a cost perspective, the City will pay a price per DGE to the lessee at a rate of \$2.409 per DGE for the next three years of the lease. This price is \$2.199 per GGE (gasoline gallon equivalent).

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**ANALYSIS**

This resolution approves an amendment to the Lease and Operating Agreement with AVSG LP regarding the approval of a five (5) year lease renewal bringing the new term through May 1, 2026 and the revised pricing to \$2.409 DGE.

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**Approved as to account  
structure, numbers,  
and amount:**

**Financial Services Division**

By: 

**Approved as to form:**

**Office of Corporation Counsel**

By: 

Date: 11/7/2017

**AMENDMENT  
TO  
LEASE AND OPERATING AGREEMENT**

This AMENDMENT is made as of November \_\_\_\_, 2017 (“Effective Date”), by and between the **City of Nashua** with an address of 229 Main Street, Nashua, New Hampshire (“City”) and **AVSG LP**, a Massachusetts limited partnership, with an address of C-6 Shipway Place, Boston, MA 02129 (“Lessee”).

WHEREAS, the City and Lessee entered into a Lease and Operating Agreement dated March 4, 2011, regarding a program for the distribution of compressed natural gas (“CNG”) at a full public-access CNG fuel station within the City (“Agreement”);

WHEREAS, Section 5 of the Agreement states that the Agreement will remain in effect through May 1, 2021 (“Initial Term”) and be renewable for an additional 5 years upon mutual agreement of the parties (“Renewal Term”), the City’s agreement not to be unreasonably withheld;

WHEREAS, Lessee is investing in capital improvements on the leased premises and has requested that the Renewal Term be approved now, bringing the termination date of the Agreement to May 1, 2026;

WHEREAS, Section 9 of the Agreement provides for the rate the City will pay Lessee per diesel gallon equivalent (“DGE”) for CNG;

WHEREAS, the parties have negotiated a revised DGE rate; and

WHEREAS, the Lessee and the City wish to extend the Agreement and memorialize the revised DGE rate.

NOW, therefore, in consideration of the mutual covenants contained herein, the parties hereby mutually agree as follows:

1. That the term of the Agreement shall be extended to May 1, 2026. For the avoidance of doubt, the new termination date of May 1, 2026 incorporates the Agreement’s Renewal Term, and the parties are not agreeing or obligated to agree to an additional 5 year renewal term after the May 1, 2026 termination.
2. The Lessee will invoice the City at a rate of \$2.409 per DGE (\$2.199 per gas gallon equivalent (“GGE”)) for three (3) years from the Effective Date.
3. All other terms and conditions of the Agreement not changed by this (or prior) Amendment(s) remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, by their duly authorized representatives placed their hands as of the date first above written.

**City of Nashua**

**AVSG LP**

\_\_\_\_\_  
By: James W. Donchess, Mayor

\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_