

## INTERLOCAL AGREEMENT

**By and Between the Town of Canterbury and the Town of Scotland and the Town of Hampton and  
Northeast CT Council of Governments  
Regarding Shared Revenue Collection Services  
Effective: July 1, 2026 – June 30, 2029**

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### RECITALS

**THIS AGREEMENT** is entered into by the Town of Canterbury, Connecticut, a municipal corporation acting by and through its legislative Town Meeting or their delegate, the Board of Selectmen ("Canterbury"), the Town of Scotland, Connecticut, a municipal corporation acting by and through its legislative Town Meeting or their delegate, the Board of Selectmen ("Scotland"), and the Town of Hampton, Connecticut, a municipal corporation acting by and through its legislative Town Meeting or their delegate, the Board of Selectmen ("Hampton"), and for the benefit of (f/b/o) the towns, the Northeast CT Council of Governments ("NECCOG"), a regional council of government acting by and through its Executive Director (each a "Party" and collectively, the "Parties"), which execute this Interlocal Agreement (the "Agreement") as follows:

**WHEREAS**, Connecticut General Statutes ("CGS") §§ 7-339a through 7-339l authorize municipalities to enter into interlocal agreements for the joint performance of any function that each municipality may perform separately;

**WHEREAS**, Canterbury possesses qualified personnel, systems, and procedures to perform Revenue Collection functions in accordance with CGS Title 12 (Ch. 204);

**WHEREAS**, Scotland and Hampton desire to obtain such services through a shared services arrangement to achieve efficiency, compliance, and improved service delivery;

**WHEREAS**, for the benefit of (f/b/o) the towns, NECCOG has applied for and is awaiting notice of a Regional Performance Incentive Program ("RPIP") grant; and

**WHEREAS**, the Parties wish to establish a formal arrangement defining service scope, records management, cost-sharing, and compliance;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements contained herein, the Parties agree as follows:

### SECTION 1. PURPOSE

The purpose of this Agreement is to formalize Canterbury's provision of Revenue Collection Services to Scotland and Hampton and to establish a Regional Revenue Collections Office located in Canterbury serving all three Towns.

## **SECTION 2. DESCRIPTION OF WORK**

### **A. Definitions.**

“Revenue Collection Services” means billing, collection, enforcement, deposit, and reporting for all property taxes and related lawful charges, in accordance with CGS Title 12 (Ch. 204).

**B. Services Provided.** Canterbury shall provide Revenue Collection Services on behalf of Scotland and Hampton in a manner consistent with the services defined in Section 2A. Canterbury shall be responsible for ensuring that Scotland and Hampton remain in full compliance with the requirements of CGS Title 12 (Chapter 204), together with all other applicable State statutes governing the collection of municipal taxes within Scotland and Hampton.

All tax collection funds received by Canterbury on behalf of Scotland or Hampton shall be deposited directly into a bank account designated by the respective Town at the banking institution utilized by the Town of Canterbury. The Town’s current banking institution is **Beacon Bank** but may be amended from time to time. Each Town shall retain sole responsibility for the administration of its tax collection account, including but not limited to overseeing reconciliation, monitoring, and auditing of all deposits and related financial activity. Canterbury shall provide reports and supporting documentation as needed to each Town for reconciliation purposes.

Canterbury shall provide Scotland and Hampton with monthly tax collection reports, copies of all required statutory filings, and any additional documentation reasonably requested by the First Selectman of the respective Town or the First Selectman’s designee.

The Canterbury Information Technology provider will host the Towns’ Revenue Collection database systems. These hosting services also include supporting the accompanying technological needs of Canterbury Revenue Collection staff as they perform their duties in support of Scotland and Hampton.

**C. Standard of Care.** Canterbury shall perform services in a timely, professional manner consistent with generally accepted municipal standards and applicable statutory requirements under CGS Title 12.

**D. Personnel.** Canterbury shall perform services as an independent contractor with respect to Scotland and Hampton. Canterbury will perform all services described in this Agreement using qualified personnel who hold all licenses and certifications required under the Connecticut General Statutes (CGS). All such personnel are employees of Canterbury and remain under Canterbury’s supervision, policies, and disciplinary authority. Scotland and Hampton have no role in directing or supervising Canterbury’s staff.

**E. Location and supplies.** Canterbury shall deliver the Services as part of Canterbury’s regular full-time operations and shall make such Services available to residents of Scotland and Hampton during the standard operating hours of the Canterbury Town Hall. Scotland and Hampton may, at their discretion, make municipal space available for use by Canterbury personnel on an as-needed basis. Canterbury is solely responsible for furnishing all supplies required to carry out the services described in this contract, unless otherwise agreed upon by the Parties in writing.

F. Confidentiality and Data. Canterbury shall implement and maintain appropriate information-security controls and reasonable administrative, technical, and physical safeguards, to protect the confidentiality, integrity, and availability of each Town's data. Canterbury will promptly notify the affected Town of any security incident and cooperate in investigation and remediation, consistent with the CGS Freedom of Information Act's (FOIA's) treatment of computer-stored public records.

G. Ownership of Records. All tax and related municipal records pertaining to each Town—including abstracts, rate bills, receipts journals, adjustment documentation, taxpayer account histories, notices, and digital files—shall remain the property of the respective Town. Canterbury will maintain such records on each Town's behalf during the term and return them upon termination or expiration in an industry-standard, usable format, consistent with applicable provisions of CGS Title 12.

H. Custodian & FOIA. The First Selectman (or designee) of each Town shall be the custodian of records for Freedom of Information Act ("FOIA") purposes for that Town. Canterbury shall cooperate with each Town to respond to public records requests under CGS Chapter 14 and will provide timely access to non-exempt records, subject to statutory exemptions.

I. NECCOG's services provided.

1. During the RPIP grant period, NECCOG shall invoice Scotland and Hampton for costs of services rendered by Canterbury not offset by the RPIP Grant, and remit payment to Canterbury for grant-offset portions.
2. NECCOG shall maintain all financial records and reports required by the RPIP grant to offset Canterbury, Scotland, and Hampton's costs.
3. NECCOG shall provide necessary administrative support to maintain the RPIP grant.
4. Upon expiration of the RPIP grant term or funding, NECCOG shall terminate participation in this agreement. All other Parties shall continue in accordance with the agreement. Canterbury shall invoice Scotland and Hampton directly for all agreed upon costs.

### **SECTION 3. FEES FOR SERVICES**

A. Payment. It is expressly agreed that Canterbury will provide the services described in Section 2 and Scotland and Hampton will pay Canterbury for those services as consideration under this Agreement. Unless a Town provides written notice to terminate or cancel this Agreement as to itself, Scotland and Hampton agree to retain Canterbury for thirty-six (36) months under a fee schedule attached as appendix A. Should Canterbury incur an unanticipated expense directly associated with the provision of these services, Canterbury will notify and bill the appropriate Town(s). If the Parties are unable to agree on responsibility for an unanticipated expense, the matter shall be resolved in accordance with the dispute resolution procedures set forth in Section 7.E.

B. Invoicing & Payment. Canterbury shall invoice Scotland and Hampton quarterly, itemizing costs by service category and period; payment is due within thirty (30) days of invoice date. Interest on late payments may be assessed consistent with Connecticut law for municipal receivables. During the RPIP grant period, Canterbury shall send invoices for grant-offset portions to NECCOG. NECCOG shall submit

payment to Canterbury for all services offset by the RPIP grant. Any remaining balance shall be due by Scotland and/or Hampton, following timely invoicing by NECCOG and Canterbury as needed.

**SECTION 4. NOTICE**

All notices shall be in writing and delivered by: (i) U.S. certified mail, return receipt requested; (ii) recognized overnight courier; or (iii) email with delivery confirmation, to:

Town of Canterbury  
Office of the First Selectman  
1 Municipal Dr, Canterbury, CT 06331  
Email: firstselectman@canterburyct.org

Town of Scotland  
Office of the First Selectman  
9 Devotion Rd, Scotland, CT 06264  
Email: firstselectman@scotlandct.org

Town of Hampton  
Office of the First Selectman  
164 Main St, Hampton, CT 06247  
Email: firstselectman@hamptonct.org

Northeast CT Council of Governments  
Executive Director  
P.O. Box 759  
Dayville, CT 06241  
Email: neccogoffices@neccog.org

A notice is deemed received on the earlier of: actual receipt; three (3) Business Days after mailing; one (1) Business Day after overnight dispatch; or confirmed email delivery.

**SECTION 5. INDEMNIFICATION**

To the extent permitted by law, each Party shall indemnify, defend, and hold harmless the other Parties and their officers, employees, and agents from and against claims, damages, liabilities, penalties, and reasonable attorneys' fees arising out of the negligent or willful acts or omissions of the indemnifying Party or its personnel in connection with performance under this Agreement.

**SECTION 6. COMPLIANCE WITH LAW**

Each Party shall perform its obligations in compliance with applicable federal, state, and local laws, regulations, and ordinances. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut. Venue for any action arising under this Agreement shall lie in a court of competent jurisdiction in Connecticut.

**SECTION 7. TERM AND TERMINATION**

A. Term. This Agreement becomes effective July 1, 2026, and remains in effect through June 30, 2029, unless terminated earlier under this Section.

B. Renewal. Following the initial thirty-six (36) month term, the Parties may renew upon mutual written consent, subject to approvals by their respective legislative bodies.

C. Termination for Convenience. Any Town Party may terminate its participation at will upon ninety (90) days' written notice to the others. The Parties shall cooperate to ensure an orderly transition of services and records.

D. Termination for Cause. If a Party materially breaches this Agreement and does not cure within thirty (30) days after written notice stating the breach, a nonbreaching Party may terminate as to itself for cause. Payment obligations accrued prior to termination remain due pro rata.

E. Dispute Resolution. Before initiating litigation, the Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement by negotiation among the First Selectmen (or equivalents) with authority to resolve the dispute. If the dispute is not resolved within forty-five (45) days of written notice, the Parties may engage mediation by mutual agreement or, if mediation is declined, may institute litigation in a court of competent jurisdiction.

The pre-litigation requirements of this Section do not preclude a Party from seeking injunctive relief where necessary to address data security issues, statutory compliance, or protection of public funds.

F. Transition Assistance. Upon expiration or termination, Canterbury shall provide transition support to Scotland and/or Hampton or their successor(s) for up to sixty (60) days, including records export, system handoffs, reconciliations, and statutory reporting. If Canterbury, in providing transition services, incurs direct expenses outside the scope of the agreed upon fee schedule, those reasonable transition expenses will be paid pro rata by the Town(s) served.

## **SECTION 8. AMENDMENTS**

This Agreement may be amended only by written instrument executed by all Parties and approved by their legislative bodies following public notice and comment in accordance with CGS § 7-339c, as applicable.

## **SECTION 9. CERTIFICATION OF INSURANCE AND BONDING**

Each Party shall maintain, at its own expense, general liability insurance (including bodily injury, property damage, and personal and advertising injury liability), public officials liability insurance, and workers' compensation insurance as required by Connecticut law.

Each Party shall name the other Parties as additional insureds on applicable liability policies and shall provide certificates of insurance upon request.

Canterbury shall ensure that all employees or agents handling or having access to Scotland or Hampton funds are properly bonded in accordance with applicable State law and municipal best practices.

**SECTION 10. SEVERABILITY**

If any provision is held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect, and the invalid provision shall be construed to reflect the Parties' intent to the fullest extent permitted by law.

**SECTION 11. ASSIGNMENT**

No Party may assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of the other Parties. Any attempted assignment without such consent is void.

**SECTION 12. WAIVER**

No waiver of any provision or breach shall be valid unless in writing and signed by the waiving Party. A waiver on one occasion shall not constitute a waiver of subsequent breaches.

**SECTION 13. ENTIRE AGREEMENT**

This Agreement constitutes the entire understanding between the Parties with respect to the subject matter and supersedes all prior oral or written agreements.

**SECTION 14. ADDITIONAL ASSURANCES**

- 1. Non-Discrimination & ADA Compliance. The Parties shall comply with applicable equal employment and accessibility laws.
- 2. Force Majeure. No Party is liable for delays or failures due to causes beyond its reasonable control (e.g., natural disasters, acts of government, widespread system outages), provided prompt notice and diligent resumption.

**CERTIFICATION**

The Parties have executed this Interlocal Agreement as of the dates below.

**TOWN OF CANTERBURY**

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

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TOWN OF SCOTLAND**

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

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

**TOWN OF HAMPTON**

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

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

**NORTHEAST CT COUNCIL OF GOVERNMENTS**

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

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

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Appendix A

<b>Scotland/Hampton Savings</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Total Cost to Scotland/Hampton under Independent Town Operations	\$ 133,006.00	\$ 136,996.18	\$ 141,106.07
Cost of Canterbury's Service Delivery to Scotland Within the Regional Program	\$ 88,730.37	\$ 91,392.28	\$ 94,134.05
NECCOG Grant Administration (in-kind)	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
RPIP Grant Contribution	\$ 68,422.78	\$ 46,946.14	\$ 25,509.43
Scotland Contribution	\$ 10,153.80	\$ 22,223.07	\$ 34,312.31
Hampton Contribution	\$ 10,153.80	\$ 22,223.07	\$ 34,312.31

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