

NEGOTIATED TERMS AND CONDITIONS OF SALE - FAIRFIELD HILLS

The Town of Newtown agrees to purchase from the State of Connecticut, 185 acres including all buildings on the 185 acre campus, plus the firehouse/laundry building, greenhouse and acreage, as per Department of Public Works Survey Map Project #B1-A-335, for a purchase price of \$3.9 million. The property will be delivered to the Town free of tenants other than the Town of Newtown.

Reflected in the \$3.9 million purchase price, negotiated from the asking price of \$5.5 million, the Town of Newtown will be responsible for environmental clean up and any demolition required for the Town's future plans. The Town of Newtown will purchase environmental insurance for the property. The State of Connecticut Office of Policy & Management and Department of Public Works will allow the Town to complete its ongoing due diligence review and remedial investigations and will support the Town's application to the Connecticut Department of Environmental Protection to secure a "Covenant Not To Sue" from the D.E.P. as allowed under C.G.S. §22a-133m, §22a-133aa or §22a-133bb. Legal counsel will work out necessary language regarding this Covenant, the Transfer Act and any other environmental liability.

The State of Connecticut will transfer to the Town of Newtown Trades Lane and Old Farm Road, from its intersection with Trades Lane to the west. The State and Town will grant respective easements necessary for both parties to conduct business on their properties.

The State of Connecticut will transfer rights for the Fairfield Hills Water Company to the Town of Newtown and will purchase water from the Town for State needs at the former FHH site. The Town will agree to preserve the two 500,000 gallon holding tanks to provide fire protection to both State and Town property. The Town of Newtown will assume responsibility for providing water for Town, State and Nunnawauk Meadows Housing for the Elderly needs. To do this, the Town will enter into an agreement with The Potatuck Club Inc. and The Potatuck Land Co. Said agreement will guarantee sufficient water to satisfy the needs of all parties, will include the creation of a \$200,000 conservation fund for aquifer protection and conservation, and a lease of the existing wells and land around them on Potatuck property. The Town of Newtown agrees to engage a qualified firm to operate the water company.

The Town of Newtown will require 100,000 gallons per day of sewer capacity that will be provided from capacity allocated to the State of Connecticut. This capacity will be allocated strictly for development on the Fairfield Hills campus. If any future additional capacity is required, it must be negotiated as per Article G of the Interlocal Sewerage Agreement, dated November 17, 1993. The State of Connecticut will continue the current sewer agreement with Nunnawauk Meadows Housing for the Elderly.

Each party is responsible for negotiating electricity for their respective needs. The current demarcation for telephone service is in the Newtown Hall building. For such time as this remains, the State of Connecticut can access this service. The Town must notify the State if there is to be any change in this demarcation.

The above conditions were arrived at as part of negotiations and are subject to review by legal counsel to work out contractual language, execution of a binding purchase and sale agreement, mutually satisfactory to the parties in an expeditious manner, and all necessary approvals by the State of Connecticut and Town of Newtown required to effectuate the transfers of real and personal property.

Signed and witnessed this Twenty-first Day of May, 2001:

Town of Newtown

Herbert C. Rosenthal
First Selectman

Donald T. Studley
Legislative Council Member

State of Connecticut

Richard J. Nuclio, Director of Assets Management
Office of Policy & Management

Kevin Dempsey, Executive Assistant
Department of Public Works

COST ESTIMATE

The following are cost estimates for the program components. The source of the cost estimate has been noted. In some cases, no cost estimate is given due to lack of detail or the component's distant horizon.

<u>PHASE I</u>	\$6,400,000
Prepare Master Plan	200,000
Secure all agreements / approvals (water rights)	200,000
Secure environmental insurance	500,000
Purchase property	3,900,000
Address code items at Edmond Town Hall	1,000,000 ¹
Rebuild playing fields at high school	600,000 ²
<u>PHASE II</u>	\$15,323,600
Construct playing fields at Fairfield Hills	850,000 ²
Remediation of site conditions	800,000 ³
Remediation and demolition of buildings	7,173,600 ⁴
Renovate building for Town and school purposes	6,000,000 ⁵
General site / infrastructure improvements	500,000
<u>PHASE III</u>	
Dispose of buildings or demolish	TBD
Total	\$21,723,600

¹ Based upon request from Edmond Town Hall Managers

² Based on 5 to 7 fields at Fairfield Hills at average price of \$200,000 per field and \$600,000 estimate for high school field.

³ Based on Russell Bartley estimate.

⁴ Includes Canaan House, Cochran, Kent House, Greenwich House, Litchfield House, Bridgewater House, Yale Lab and Fairfield House. Demolition estimate assumes on-site crushing and disposal of building/masonry materials. Potential use for basement fill, roadway and parking area sub-surface and site grading for playing fields.

Demolition	\$1,570,000
Asbestos Roof & Windows	603,600
Balance of Remediation	<u>5,000,000</u>
	\$7,173,600

⁵ Assumes Shelton House @ 60,000 square feet at \$100 per square foot.

Estimates Per Kaestle Boos Associates

Shelton House Rehabilitation

- Assumes 60,000 square feet without basement.
- Assumes construction cost of \$90 per square foot.
- Assumes an additional \$10 per square foot for design and other soft costs.
- Would net 40,000 square feet.
- Town offices need 22,610 square feet net.
- Board of Education offices 6,200 square feet net.
- Balance for alternative high school / pre-school / Town office expansion.
- For comparison, new building could be \$150 per square foot construction.

Playing Fields

Fairfield Hills

Soccer / Lacrosse Fields	\$75,000 – 100,000
Baseball	\$125,000 – 150,000
Softball / Youth	\$75,000 – 100,000

Without knowing exact mix have used \$125,000 per field average. This would provide for design and contingencies when consider that majority of fields would probably be Soccer / Lacrosse or Softball / Youth.

High School

Lump sum for rebuilding playing fields \$600,000