19

OFFICE OF THE DIRECTOR OF FINANCE

THE CITY OF WATERBURY

CONNECTICUT

Date: February 11, 2016

To: Paul Pernerewski,
President, Board of Aldermen

Members, Board of Aldermen
Mayor Neil M. O'Leary

From: Michael LeBlanc, Director of Finance MJL

Subject: **Proposed Sale of City Owned Property – 69 Manchester Avenue**

2016 FEB 11 PM 1:15
WATERBURY CITY CLERK

Dear Honorable Board Members:

Mr. Steven R. Petro was chosen as the successful respondent to the City of Waterbury's Request for Proposal Project No. 5367, the sale of City-owned property known as 69 Manchester Avenue, Waterbury, Connecticut (the "Property"). Mr. Petro was the only respondent to said Request for Proposal with a submitted purchase price of $29,500.00. Mr. Steven R. Petro plans to rehab the Property to rent or to resell.

Pursuant to the provisions of Connecticut General Statutes § 8-24, the proposed sale of 69 Manchester Avenue was submitted to and approved by the City Plan Commission at its meeting on February 10, 2016. The approval letter is attached hereto.

There is no specific using agency identified with respect to the sale of this Property as it is part of the City's other real estate owned portfolio and is not included in any inventory of properties being utilized by any City department or agency.

I respectfully request your approval of this Purchase and Sale Agreement for the sale of 69 Manchester Avenue to Mr. Steven R. Petro.

c/o CITY PLAN DEPARTMENT
One Jefferson Square Building
185 South Main Street • 5th Floor
Waterbury, CT 06706
Office: (203) 574-6817
Fax: (203) 346-3949
Email: jsequin@waterburyct.org

CITY PLANNING COMMISSION
THE CITY OF WATERBURY
CONNECTICUT

February 11, 2016

Board of Aldermen
235 Grand Street
Waterbury, CT 06702

Honorable Aldermen:

At a meeting of the City Plan Commission of the City of Waterbury held February 10, 2016, the Commission voted to approve the following resolution concerning the disposition of a City owned property located at 69 Manchester Avenue:

> ***Resolved that the City Plan Commission in accordance with CGS 8-24 recommends approval of the disposition of a City owned property known as 69 Manchester Avenue for purposes consistent with the Plan of Conservation and Development and the City of Waterbury Zoning Regulations.***

The resolution was moved by Commissioner Work and seconded by Commissioner Marciano.

The following Commissioners voted in favor of this motion: Hadley, Marciano, McCasland, Rosa and Work.

The following Commissioners voted in opposition to this motion: None.

The following Commissioner abstained: None.

The following Commissioners were absent: Green and LaBrecque.

ATTEST:

James Sequin, AICP
City Planner/Secretary

cc: Corporation Counsel
City Clerk
Town Clerk

PURCHASE AND SALE AGREEMENT

By
and
Between

CITY OF WATERBURY ("SELLER")
a municipal corporation organized and existing
under the laws of the State of Connecticut

and

STEVEN R. PETRO ("BUYER")

Dated: _____, 2016

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EXHIBIT A LAND DESCRIPTION
EXCEPTIONS

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this "**Agreement**") is made as of _____, 2016 (the "**Effective Date**"), by and between the CITY OF WATERBURY ("**Seller**"), a municipal corporation organized and existing under the laws of the State of Connecticut and STEVEN R. PETRO of 183 Farrell Road, Waterbury, Connecticut 06706, ("**Buyer**").

ARTICLE 1. AGREEMENT OF SALE

Subject to and on the terms and conditions of this Agreement, Seller agrees to sell and shall sell to Buyer, and Buyer agrees to purchase and shall purchase from Seller, all of the following (collectively, the "**Property**").

1.1 Land. The real property that is located in Waterbury, Connecticut, and is known as 69 Manchester Avenue Street which parcel is more particularly described in **Exhibit A**, attached hereto and made a part hereof, together with (a) all privileges, rights, easements and appurtenances belonging or relating to such real property, (b) all development rights, air rights, and water rights relating to such real property, and (c) all right, title and interest of Seller in and to any streets, alleys and other rights-of-way or appurtenances included in, adjacent to or used in connection with such real property, subject to all liens, easements and encumbrances of record (collectively, the "**Land**")

Said Property is also the subject Request for Proposal Project #5367 issued by the City of Waterbury dated November 18, 2015 ("RFP") and of a related Proposal for Purchase dated November 3, 2015 submitted by the Buyer and accepted by the Seller, subject to this Agreement and the approval of this Agreement by the Board of Aldermen of the City of Waterbury ("RFP Proposal").

1.2 Improvements. Any and all structures, systems, facilities, fixtures, fences and parking areas located on the Land and any and all machinery, equipment, apparatus and appliances located on the Land (such as facilities used to provide utility services or other amenities on the Land) and any and all other improvements located upon the Land, (collectively, the "**Improvements**"). The Land and Improvements are hereinafter jointly referred to as the "**Premises**".

1.3 Personal Property. All of Seller's right, title and interest in and to any personal property located on the Premises, (collectively, the "**Personal Property**"); and

ARTICLE 2. PURCHASE PRICE/BUYER OBLIGATIONS

2.1 Amount. The purchase price for the Property shall be Twenty-Nine Thousand Five Hundred Dollars ($29,500.00) (the "**Purchase Price**").

2.2 Payment. Buyer shall pay the Purchase Price, as provided in this Agreement, to Seller as follows:

A deposit in the amount of Two Thousand Nine Hundred Fifty Dollars ($2,950.00), receipt of which is hereby acknowledged by the Seller (the "**Deposit**"); and

Twenty-Six Thousand Five Hundred Fifty Dollars ($26,550.00) at the Closing (as defined in Section 10.1) by wire transfer or other immediately available funds.

2.3 Obligations. Buyer also agrees to observe and fulfill all of Buyer's obligations under this Agreement

ARTICLE 3. TITLE MATTERS

3.1 Delivery of Title Report/Title Review. On or before thirty (30) days after the Effective Date, Buyer shall obtain, at its sole cost and expense, a title report or title insurance commitment issued by a Connecticut licensed title insurance company, selected by Buyer, with respect to the Premises (the "**Title Report**"). A copy of the Title Report shall be provided to Seller within five (5) days after Buyer's receipt of such, together with Buyer's objections, if any, to any encumbrance or defect of title reflected in the Title Report (except as to such matters recited in **Exhibit A**, if any, and any matters as a result of Buyer's activities, all of which exceptions are hereinafter referred to as "**Permitted Title Matters**"), each such objectionable lien or defect in title being hereinafter referred to as an "**Objection**". No matter may constitute an Objection unless such matter either renders title to the Premises unmarketable under the Connecticut Standards of Title, such marketability to be determined as fee simple title, insurable at standard rates by an A rated title insurance company, as and when applicable. Further, no matter may constitute an Objection if it is a lien that secures the payment of money or that can be removed by substitution of a bond, other than a lien for current installments of real estate taxes for which an adjustment is to be made hereunder, with Seller being obligated to remove all such liens at or prior to the Closing Date (as defined in Section 9.1). If Buyer has not so noticed Seller of any Objections, Buyer shall be deemed to have accepted title to the Premises, subject only to the Final Report referred to in Section 3.2, below. In the event Buyer has so noticed Seller of any Objections, Seller may eliminate such Objections within thirty (30) days after receipt of written notice thereof. If any such Objection is not so eliminated within said period of thirty (30) days, or if Seller, within said period, gives written notice of Seller's inability or unwillingness to eliminate the same at Seller's own expense, and, in either case, if such elimination has not been waived by Buyer, Buyer shall have the option, upon notice to the Seller, either of (a) accepting such title as disclosed in the Title Report, and to proceed with the Closing subject to all of the other terms of this Agreement, or (b) terminating this Agreement, in which event the Deposit shall be returned to Buyer, and upon the receipt thereof, this Agreement shall terminate and become null and void, and the parties hereto shall be released and discharged of all further claims and obligations each to the other hereunder, except for the requirements of any other provisions of this Agreement that are specifically herein provided to survive such termination. No other right or remedy shall be available to Buyer. If Buyer has not so terminated this Agreement, Buyer shall be deemed to have accepted title to the Premises, subject only to the Final Report referred to in Section 3.2, below.

3.2 Subsequent Title Matters. The Title Report shall be brought current to a date on or before fifteen (15) days prior to the Closing Date (the **"Final Report"**), at Buyer's sole cost and expense, a copy of which shall be provided to Seller no later than ten (10) days before the Closing Date, together with Buyer's notice of Objections, if any, solely as to any matters appearing of record since the date of the Title Report. In the event of any such Objections, Seller may eliminate such Objections within thirty (30) days after written notice thereof, and the Closing Date shall be extended accordingly. Seller is obligated to remove all liens set forth in the Final Report that secure the payment of money or that can be removed by substitution of a bond, other than a lien for current installments of real estate taxes, and sewer and water payments for which an adjustment is to be made hereunder, at or prior to the Closing. If such Objections are not so eliminated within said period of thirty (30) days, or if Seller, within said period, gives written notice of Seller's inability or unwillingness to eliminate the same at Seller's own expense, and, in either case, if such elimination has not been waived by Buyer, Buyer shall have the option, upon notice to the Seller, either of (a) accepting such title as disclosed in the Final Report, and to close subject to all of the other terms of this Agreement, or (b) terminating this Agreement, in which event, the Deposit shall be returned to Buyer, and upon the receipt thereof, this Agreement shall terminate and become null and void, and the parties hereto shall be released and discharged of all further claims and obligations each to the other hereunder, except for the requirements of any provision of this Agreement that are specifically herein provided to survive such termination. No other right or remedy shall be available to Buyer. If Buyer has not so terminated this Agreement, Buyer shall be deemed to have accepted title to the Premises.

3.3 Cost. In addition to sole responsibility for the cost of the Title Report and the Final Report, Buyer shall be solely responsible for the cost of any title insurance policies that Buyer may, at its sole option, desire to pursue and/or obtain.

ARTICLE 4. CONDITIONS PRECEDENT

4.1 Buyer's Conditions. Buyer's obligations under this Agreement are expressly subject to the timely fulfillment of each and all of the conditions set forth in this Section 4.1 at or before the Closing. Each condition may be waived in whole or in part by Buyer by written notice to Seller.

4.1.1 Covenants. Seller shall have performed and complied in all material respects with all of the terms of this Agreement to be performed and complied with by Seller prior to or at the Closing.

4.1.2 Representations and Warranties. The representations and warranties of Seller set forth in Article 5 shall be true and accurate on the Closing Date, as if made on such date.

4.2 Seller's Conditions. Seller's obligations under this Agreement are expressly subject to the timely fulfillment of the conditions set forth in this Section 4.2, at

Buyer's sole cost and expense, at or before the Closing. Each condition may be waived in whole or part by Seller by written notice to Buyer.

4.2.1 Covenants. Buyer shall have performed and complied in all material respects with all of the terms of this Agreement to be performed and complied with by Buyer prior to or at the Closing.

4.2.2 Representations and Warranties. The representations of Buyer set forth in Article 6 shall be true and accurate on the Closing Date, as if made on such date.

ARTICLE 5. "AS IS" SALE, SUBJECT TO SELLER'S REPRESENTATIONS AND WARRANTIES

Buyer acknowledges and agrees that Buyer is purchasing the Property **"AS IS, WHERE IS AND WITH ALL FAULTS,"** in its existing condition without any representation or warranty by Seller as to the physical condition of the Property other than the representations and warranties of Seller expressly set forth in this Article 5.

Seller makes the following representations and warranties to Buyer with the understanding that each such representation is material and being relied upon by Buyer.

5.1 Seller's Authority. Seller has the requisite power and authority to own, lease and operate the Property and conduct its business where the same is now owned, leased or operated. The execution, delivery and performance of this Agreement by Seller does not violate its constituent documents and has been duly and validly authorized by all necessary action and proceedings, and no further action or authorization is necessary on the part of any other person or entity for Seller to execute, deliver and perform its obligations under this Agreement. This Agreement and the other documents executed by Seller in connection herewith are legal, valid and binding obligations of Seller, enforceable in accordance with their respective terms.

5.2 Survival of Representations and Warranties. Seller's representations and warranties set forth in this Agreement shall survive for a period of ninety (90) days after Closing, and shall not merge with delivery to Buyer of the Deed.

ARTICLE 6. BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer makes the following representations and warranties to Seller with the understanding that each such representation and warranty is material and is being relied upon by Seller:

6.1 Buyer's Authority. The execution, delivery and performance of this Agreement by Buyer does not violate its constituent documents and has been duly and validly authorized by all necessary action and proceedings, and no further action or authorization is necessary on the part of any other person or entity for Buyer to execute,

deliver and perform its obligations under this Agreement. This Agreement and the other documents executed by Buyer in connection herewith are legal, valid and binding obligations of Buyer, enforceable in accordance with their respective terms.

6.2 Survival of Representation and Warranties. Buyer's representations and warranties under this Agreement shall survive for a period of ninety (90) days after Closing.

ARTICLE 7. CHANGED CIRCUMSTANCES

If either party becomes aware of any fact or circumstance that would render false or misleading a representation or warranty made by either party, then it shall immediately give written notice of such fact or circumstance to the other party, but such notice shall not relieve either party of any liabilities or obligations with respect to any representation or warranty.

ARTICLE 8. SELLER'S PRECLOSING COVENANTS

Seller shall comply with the covenants contained in this Article 8 from the Effective Date through Closing unless Buyer consents otherwise in writing. Buyer may grant or withhold any such consent requested by Seller in Buyer's sole discretion.

8.1 Leases. Seller shall not enter into any leases of the Property without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed.

8.2 Contracts and Documents. Seller shall not enter into any agreement of any type affecting the Property that would survive the Closing without the prior written consent of Buyer, which consent may not be unreasonably withheld, conditioned or delayed.

8.3 No Transfers. Seller shall not sell, encumber or otherwise transfer any interest in all or any portion of the Property, or agree to do so, except for the disposition of Personal Property not included in the sale hereunder.

ARTICLE 9. CLOSING

9.1 Closing Date Time and Place. Provided all conditions set forth in Article 4 have been either satisfied or waived, the parties hereto shall close this transaction (the "**Closing**") on or before March 15, 2016 (the "**Closing Date**") at 10:00 a.m., local time, at City Hall, 235 Grand Street, Waterbury, Connecticut, or at such other place as the parties hereto may mutually agree.

9.2 Seller's Delivery of Documents. At the Closing, Seller shall deliver to Buyer the following:

9.2.1 A duly executed and acknowledged quitclaim deed ("**Deed**") conveying the Property to Buyer subject to:

9.2.1.1 the Permitted Title Matters;

9.2.1.2 any and all provisions of any ordinance, municipal regulation, public or private law, and such matters as may be disclosed by a personal inspection and accurate survey of the Premises;

9.2.1.3 Real Estate Taxes and Assessments/Utilities: At Closing of title, there shall be no adjustment of real property taxes Due the City of Waterbury since said Property is presently exempt from taxation; however, the Buyer shall pay as real property tax or in lieu of said tax an amount computed by multiplying the real property mill rate in effect on the date of Closing by 70% of the assessed value of the property for that portion of the tax year during which Buyer has fee simple title to said Property. The Buyer agrees to pay said amount, if any, to the Tax Collector of the City of Waterbury in accordance with applicable law and within 30 days after the mailing of a bill therefor by said Tax Collector to the Buyer. It is understood that from the date of conveyance, the Buyer In addition, shall become obligated for payment of water charges or assessment to the City of Waterbury. Said charges, shall be paid by the Buyer promptly upon determination of liability therefor. If bills for real estate taxes on the Property have not been issued as of the Closing Date, and if the amount of real estate taxes for the current tax fiscal year is not then known, the apportionment of real estate taxes shall be made at Closing on the basis of the prior year's real estate taxes, and a further adjustment shall be made upon Buyer's receipt of the current year's tax bills; and

9.2.2 Intentionally left blank;

9.2.3 A seller's title insurance affidavit in form customarily required by Buyer's title insurance company as to the Premises, persons in possession and mechanic's liens (excluding any mechanic's liens as a result of Buyer's activities hereunder);

9.2.4 Intentionally left blank; and

9.3 <u>Buyer's Delivery of Documents and Funds</u>. At the Closing, Buyer shall deliver to Seller the following:

9.3.1 Definitive evidence of Buyer's authorization to purchase the Property pursuant to this Agreement;

9.3.2 The balance of the Purchase Price in accordance with the provisions of Article 2 and any costs of Closing customarily paid by buyers of real property in the municipality, county and state in which the Land is located, plus or minus prorations as provided in Section 9.5.

9.4 Default, Termination and Remedies.

9.4.1 Buyer's Termination. Provided that a Buyer's Default (as defined below) has not theretofore occurred and remains uncured, this Agreement shall automatically terminate without further notice or action by Buyer, upon written notice thereof to Seller in the manner as set forth in Section 10.1 if: (a) any condition to Closing contained in Section 4.1 has not been satisfied by Seller or waived by Buyer in writing by the Closing Date; (b) Buyer exercises its right to terminate this Agreement as specifically permitted herein; or (c) the Closing has not occurred by the Closing Date, unless extended pursuant to the provisions of this Agreement or by a written agreement executed by both parties.

9.4.2 Seller's Termination. Provided that a Seller's Default (as defined below) has not theretofore occurred and remained uncured, this Agreement shall automatically terminate, at the sole option of the Seller upon written notice to Buyer in the manner set forth in Section 10.1 if: (i) any condition to Closing contained in Section 4.2 has not been satisfied by Buyer or waived by Seller in writing by the Closing Date; or (ii) Closing has not occurred by the Closing Date, unless extended pursuant to the provisions of this Agreement or by a written agreement executed by both parties.

9.4.3 Buyer's Remedies. "**Seller's Default**" shall mean a material default by Seller in the performance of its obligations under this Agreement that has not been cured within five (5) business days after Seller's receipt of written notice from Buyer specifying the nature of the alleged default. As used in this Agreement, "business day" means each weekday other than when banks in the State of Connecticut are closed for business (other than for on-line business).

9.4.4 Seller's Remedies. "**Buyer's Default**" shall mean a material default by Buyer in the performance of its obligations under this Agreement that has not been cured within five (5) business days after Buyer's receipt of written notice from Seller specifying the nature of the alleged default.

9.5 Possession. Seller shall deliver possession of the Property to Buyer on the Closing Date, subject to the matters set forth.

ARTICLE 10. GENERAL

10.1 Notices. All notices, demands, approvals, and other communications provided for in this Agreement shall be in writing, sent to the recipient's address set forth below and shall be effective: (a) when personally delivered to the recipient;

(b) upon receipt by recipient or first attempted delivery by United States mail, postage prepaid, by registered or certified mail, return receipt requested; (c) one (1) business day after deposit with a recognized overnight courier or delivery service, whichever is earlier; or (d) on the business day of transmission when sent on a business day by telecopy. If the date on which any notice to be given hereunder falls on a day other than a business day, then such date shall automatically be extended to the next business day.

The addresses for notice are:

SELLER: City of Waterbury
235 Grand Street
Waterbury, CT 06702
Attn: Office of the Corporation Counsel
Telephone: 203-574-6731
Fax: 203-574-8340

BUYER: Steven R. Petro
183 Farrell Road
Waterbury, CT 06706

With a copy to: Law Office of N. Warren Hess, III
Attorney Russell Stutsky
180 Church Street
Naugatuck, CT 06770

Either party hereto may change its address by written notice to the other given in the manner set forth above.

10.2 Entire Agreement. This Agreement and the Schedules and Exhibits hereto contain the entire agreement and understanding between Buyer and Seller concerning the subject matter of this Agreement and supersede all prior agreements, terms, understandings, conditions, representations and warranties, whether written or oral, made by Buyer or Seller concerning the Property or the other matters that are the subject of this Agreement. This Agreement has been drafted through a joint effort of the parties and, therefore, shall not be construed in favor of or against either of the parties.

10.3 Amendments and Waivers. No addition to or modification of this Agreement shall be effective unless set forth in writing and signed by the party against whom the addition or modification is sought to be enforced. The party benefited by any

condition or obligation may waive the same, but such waiver shall not be enforceable by the other party unless made in writing and signed by the waiving party.

10.4 Invalidity of Provision. If any provision of this Agreement as applied to either party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement.

10.5 References. The headings and captions used in this Agreement are provided for convenience only and shall form no part of this Agreement. All references to "days," other than business days, are to calendar days. The masculine, feminine or neuter gender and the singular or plural number shall be deemed to include the others whenever the context so indicates or requires.

10.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut applicable to contracts made and to be performed in Connecticut, without regard to conflict of laws principles thereof.

10.7 Publicity. Until completion of closing and unless required by law, no press release or other public disclosure may be made by either party or any of their respective agents concerning this transaction without the prior written consent of the other party, which consent may not be unreasonably conditioned, withheld or delayed.

10.8 Attorneys' Fees. In the event of any legal proceeding hereunder, the prevailing party in such proceeding shall be entitled to recover its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and costs of defense.

10.9 Assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns; *provided, however*, that neither party shall have the right to assign all or any portion of its rights or delegate all or any portion of its obligations under this Agreement without the other party's prior written consent, which consent may be withheld or denied in such party's sole and absolute discretion.

10.10 Further Assurances. The parties hereto agree to take such further actions and execute and deliver such additional documents as may be necessary or reasonable to carry out the terms of this Agreement.

10.11 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective successors and permitted assigns.

10.12 Commissions, Indemnity. Each party represents to the other party that the representing party has incurred no liability for any brokerage commission or finder's fee arising from or relating to the transactions contemplated by this Agreement. Each

party hereby indemnifies and agrees to protect, defend and hold harmless the other party from and against all liability, cost, damage or expense (including, without limitation, reasonable attorneys' fees and costs incurred in connection therewith) on account of any brokerage commission or finder's fee which the indemnifying party has agreed to pay or which is claimed to be due as a result of the actions of the indemnifying party.

10.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

10.14 Waiver of Jury Trial. Buyer and Seller each hereby expressly, irrevocably, fully and forever release, waive and relinquish any and all right to trial by jury.

10.15 Time. Time is of the essence in the performance of this Agreement.

10.16 Jurisdiction. The parties hereto consent both to the personal and subject matter jurisdiction of any federal or state court located within the State of Connecticut for any action to enforce, or arising out of, this Agreement.

10.17 Recording. Neither party hereto shall record this Agreement on the Waterbury land records or on any other public record.

10.18 Required City of Waterbury Provisions. The provisions set forth in **Schedule 10.18** hereto shall be incorporated herein by reference and shall form a part of this Agreement.

[*signature page follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, and it is effective, as of the Effective Date.

SELLER:

CITY OF WATERBURY, a municipal corporation organized and existing under the laws of the State of Connecticut

By:_____
Name:_____
Title:_____

BUYER:

STEVEN R. PETRO

SCHEDULE 10.18

REQUIRED CITY OF WATERBURY PROVISIONS

The BUYER (which shall be a "Person" as the term is defined in Section 38 of the City's Code of Ordinances) agrees as follows:

1.1 It shall be a material breach of this Agreement, and, except as may be permitted by regulations or rulings of the City of Waterbury Board of Ethics it shall be a violation of the City's Code of Ordinances, for any Public Official, City Employee or Member of a Board or Commission who is participating directly or indirectly in the procurement process as set forth in the City's Code of Ordinances, including those participating in exempt transactions, to become or be the employee of any person contracting with the governmental body by whom the Official, Employee, or Board or Commission member is employed or is a member.

1.2 It shall be a material breach of this Agreement, and it shall be a violation of the City's Code of Ordinances for any Person to offer, give, or agree to give any current or former Public Official, Employee or Member of a Board or Commission, or for such current or former Public Official, Employee or Member of a Board or Commission to solicit, demand, accept or agree to accept from another Person, a gratuity or an offer of employment in connection with any: decision; approval; disapproval; recommendation; preparation of any part of a program requirement or a requisition; influencing the content of any specification or procurement standard; or rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a Contract or Purchase Order, or to any solicitation or proposal therefore.

1.3 It shall be a material breach of this Agreement and it shall be a violation of the City's Code of Ordinances for any payment, gratuity, or offer of employment to be made as an inducement for the award of a subcontract or order, by or on behalf of a subcontractor, the prime Consultant/Vendor or higher tier subcontractor or any Person associated therewith, under a Contract or Purchase Order to the City.

1.4 The value of anything transferred or received in violation of the City's Charter, Code of Ordinances, and/or regulations promulgated thereunder, by any Person subject to said Charter and/or Ordinances may be recovered by the City. The City represents that the transfer of the Property pursuant to the Agreement to which this Schedule 12.15 is attached is not prohibited by the City's Charter, Code of Ordinances, and/or regulations promulgated thereunder.

1.5. Upon a showing that a subcontractor made a kickback to the City, a prime Consultant/Vendor or a higher tier subcontractor in connection with the award of a subcontract or order there under, it shall be conclusively presumed that the amount

thereof was included in the price of the subcontract or order and ultimately borne by the City and will be recoverable hereunder from the recipient. In addition, said value may also be recovered from the subcontractor making such kickbacks. Recovery from one offending party shall not preclude recovery from other offending parties.

1.6 It shall be a material breach of this Agreement and it shall be a violation of the City's Code of Ordinances for a Person to be retained, or to retain a Person, to solicit or secure a contract with the City upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee; and every Person, before being awarded a City Contract, shall deliver to the City, on a City authored form, a representation that such Person has not retained anyone in violation of this subsection 1.6, the failure to deliver said form being a material breach of this Contract and a violation of the City's Code of Ordinances.

1.7 The BUYER agrees that it will comply with those sections of the City's Code of Ordinances requiring that said Person has (1) delivered to the City an affidavit, on a City authored form, stating that the Person and its affiliates have no delinquent taxes or other financial obligations owned to the City, a copy of which is attached hereto; (2) filed the City authored financial disclosure statement form as set forth in the City's Code of Ordinances regarding disclosure of financial interests, a copy of which is attached hereto; (3) delivered to the City a written acknowledgement, on a City authored form, a copy of which is attached hereto, evidencing receipt of a copy of the "Ethics and Conflict of Interest" ordinance for the City of Waterbury and hereby expressly represents that said Person is in full compliance with the entirety of said Code of Ordinances; and (4) filed a current list of all taxable personal and real property as required by the State of Connecticut General Statutes. Any violation of this subsection 1.7 shall be deemed a material breach of the Agreement and shall be a violation of the City's Code of Ordinances for a Person.

1.8 The definitions set forth in the City's Code of Ordinances shall be the primary source for interpretation of this **Schedule 10.18**.

1.9 The BUYER shall fully comply with, all relevant provisions of the City's Charter and all relevant provisions of the City's Code of Ordinances, including Chapter 93, titled "Discriminatory Practices", Chapter 38 titled "Procurement and Contractual Agreements", and Chapter 39 titled "Ethics and Conflict of Interest", of said Code as may be amended from time to time.

1.10 The BUYER hereby acknowledges receipt of a copy of the Chapters 38 and 39 of City's Ordinance regarding Procurement, Ethics, and Conflicts of Interest and has familiarized itself with said Code and hereby agrees to adhere to said Code. The text of Chapters 38 and 39 of said Code may be obtained from the Office of the City Clerk of the City and on the internet at the City Clerk's web site: http://www.waterburyct.org/content/458/539/default.aspx (click link titled "The City of Waterbury Code of Ordinances Passed 8/24/2009". For Chapter 38, click on "Title III: Administration", then click on "CHAPTER 38: CENTRALIZED PROCUREMENT

SYSTEM". For Chapter 39, click on "TITLE III: ADMINISTRATION", then click on "CHAPTER 39: ETHICS AND CONFLICTS OF INTEREST").

1.11 The SELLER is hereby charged with the requirement that it shall have knowledge of, and shall fully comply with, the City's "Ordinance Concerning the Hiring of Waterbury Residents" and the State of Connecticut Legislature's Special Act No. 01-1.

1.12 Every Person who conducts business with, contracts, with or provides commodities or services to the City, is charged with notice of the extent of the powers and authority, and the limitations thereon, of the Public Officials and Employees of the City, as set forth in the charter of the City, the Code of Ordinances and any Regulations or Policies pertaining thereto. In particular, and without implying any limitation as to its applicability, it applies to all Persons who participate in the procedures pertaining to the Centralized Procurement System as set forth in Chapter 38 and the Ethics and Conflict of Interest provisions set forth in Chapter 40 of the Code of Ordinances.

1.13 INTEREST OF CITY OFFICIALS. No member of the governing body of the City, and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the carrying out of the project, to which this Agreement pertains, shall have any personal interest, direct or indirect, in this Agreement.

1.14 PROHIBITION AGAINST CONTINGENCY FEES. The BUYER hereby represents that it has not retained anyone to solicit or secure this Agreement with the City upon an agreement or understanding for a commission, percentage, brokerage or contingency fee.

1.15 FREEDOM OF INFORMATION ACT NOTICE. Pursuant to State statute, in the event the total compensation payable to the BUYER is greater than $2,500,000, the City is entitled to receive a copy of any and all Consultant/Vendor records and files related to the performance of this contract and those records and files are subject to the Freedom of Information Act ("the Act") and may be disclosed by the City pursuant to the Act.