

**Agreement in Principle between  
Exxon Mobil Corporation and the Town of Charlton**

**Consists of:**

1. ExxonMobil (EM) will install, at its own expense, the Waterline as described in Scott Wybro's letter to DEP dated March 18<sup>th</sup> plus Hammerrock Road and Dodge Lane (and anything regarding waterlines required by DEP as agreed to per ACO), per Town of Southbridge water rules and regulations. EM will activate Rt. 20 section from N.Main to where Old Worcester Rd/Prenier Lane intersects with Rt. 20 (Rt 20 New Wetted Section). Hookups will be addressed as described in #5 below. See attached map for new Waterline route, 3 named schools and Rt 20 New Wetted Section.
2. \$7,750,000 cash settlement from ExxonMobil to the Town of Charlton.
3. \$250,000 to fund a Water Superintendent (from Waterline project fund).
4. The Town of Charlton shall provide EM a Release for 6W, 5E, Honey Farms, LaMountain.
5. EM will connect properties showing detections (as agreed to per ACO). EM will offer connections to other properties (i.e., properties not showing detections) on new waterline loop and Rt 20 New Wetted Section as described below:
  - a) Charlton will not charge betterments along the waterline route installed by EM. Charlton will not charge betterments regardless of whether the home connects to waterline or not. For clarity, properties where EM offered connection during a Connection Period and they refused to connect, Charlton will not charge betterments. Likewise, Charlton reserves the right to assess a privilege fee for any change resulting in a new, larger or additional water service connection after expiration of the Connection Period (to be paid by property owner).
  - b) EM will offer a '12 month connection period' (Connection Period) which starts when line is activated/wetted and first letter offering a water hookup. EM agrees to send quarterly notices during this Connection Period to residents along the Waterline to remind them of deadline to respond to the Connection Period notice. As long as property owner responds affirmatively within this Connection Period, they will be connected.
  - c) EM will work with DEP to identify commercial properties requiring sampling as part of EM upcoming 12 month sampling program.
  - d) Excludes any hook ups for non-detect commercial properties with DEP approval as well as undeveloped/unoccupied properties. Three schools and Masonic connections will be funded and constructed by EM. EM will provide waterline connection stubs for lots that could potentially be developed/built upon subject to Town of Southbridge requirements. Charlton will provide a list properties with: undeveloped lot that has a building permit and foundation in place during the Connection Period so that EM can offer connection. Home based business locations such as car repair, etc. are not considered Commercial for the sake of this exclusion.
  - e) EM offer to connect properties is contingent on potable well being abandoned or disconnected from home. EM may use certain wells as a monitoring well -- at EM cost). EM will consult with its LSP and DEP, and EM will determine whether any exceptions to well abandonment will be granted. The

objective is to eliminate exposure pathway thus generally requiring well decommissioning (grouting).

f) EM recognizes that Bay Path High School, Charlton Middle School and Charlton Heritage School wish to retain their potable well for irrigation purposes. EM will work in good faith with the schools (including consulting with its LSP and DEP) to determine whether using the well for such purpose is possible without exacerbating groundwater contamination issues in the Charlton area. The decision of whether to leave the well open, and the conditions under which it may remain open, will be in EM's sole discretion.

6. Both parties shall endeavor to get endorsements/approvals quickly and begin waterline. Parties also acknowledge that the terms set forth above are contingent on final management approval of the parties, negotiation of mutually acceptable final settlement agreement between ExxonMobil and the Town of Charlton, and on an acceptable ACO from DEP that reclassifies the groundwater aquifer (as described in Scott Wybro's letter to DEP dated March 18<sup>th</sup>).



Exxon Mobil Corporation



Town of Charlton

DATE: April 11, 2016

