



STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC WORKS  
165 Capitol Avenue, Hartford, Connecticut 06106-1606

**RAEANNE V. CURTIS**

*Commissioner*

January 27, 2009

Via Facsimile & First Class Mail

Robert Congdon  
First Selectman  
Town of Preston  
Town Offices  
389 Route 2  
Preston, CT 06365-8830

RE: Purchase and Sale Agreement  
Norwich State Hospital  
The Town of Preston and the State of Connecticut

Dear First Selectman Congdon:

I am writing in response to your letter dated January 16, 2009. While I appreciate the issues and concerns raised in your letter, I must disagree with several of the contractual points you raise.

The Town does not have sixty (60) days to review the survey provided to your office on January 9, 2006. Section 8 of the Purchase and Sale Agreement requires the State provide an updated survey to the Town within nine (9) months of the Agreement Approval Date (the date the Office of the Attorney General approved the Purchase and Sale Agreement). Section 7.c provides that, not later than 60 days after the Town has received the revised survey, the Town must furnish to the State any title objections. Based on our records, the final revised survey, dated May, 2006, with a revision date of November, 2006, was provided to the Town two (2) years ago and no title objections were received from the Town within the sixty (60) day period that followed. In fact, the November, 2006, survey incorporated comments relating to title and survey matters from the Town before it was finalized. Furthermore, in July, 2008, the State furnished the Town with a draft closing checklist and the opportunity comment on the items contained therein. The matter of the sixty (60) day period for rendering title objections per Section 7.c was clearly marked as a completed item. The Town reviewed said closing checklist and raised no objection to such designation.

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The survey that was provided to you on January 9, 2009, was prepared pursuant to Section 2 of the Purchase and Sale Agreement, wherein the State has the right, within thirty (30) days of receipt of the Purchase Notice, to modify the parcels to be excluded from the transfer for DOT purposes. The property to be retained by the DOT shown on the January, 2009, survey is substantially the same as shown on the plans referenced in Exhibit B to the Purchase and Sale Agreement. The consent or approval of the Town is not required with respect to the January, 2009 survey nor provided for in the Purchase and Sale Agreement.

The Town does not have a one hundred twenty (120) day period in which to prepare for closing. Section 4 b, merely provides the time frame in which the State will make efforts to obtain the State Transfer Approvals. The Purchase and Sale Agreement does not set out a reciprocal or mirror clause in regard to the Town. The purpose of Section 4 b was to impose an affirmative obligation on the State to attempt to obtain the State Transfer Approvals in a prompt manner and, in any event, within one hundred twenty (120) days from the receipt of the Purchase Notice. The timing of the closing is set forth in Section 3 of the Purchase and Sale Agreement, which very clearly states that the closing will occur not sooner than ten (10) nor more than twenty-one (21) days following the last of the State Transfer Approvals. The Purchase and Sale Agreement does not contemplate a lengthy period between the time the State obtains all its State Transfer Approvals and the occurrence of the closing.

As explained in previous correspondence to the Town, the State must perform in accordance with the terms and conditions of the Purchase and Sale Agreement. Deviation from the terms and conditions of the Purchase and Sale Agreement would require a written agreement between the parties and be subject to the approval of the same bodies that initially approved the Purchase and Sale Agreement. The Town has known for months the process required to modify the terms of the Purchase and Sale Agreement and that an extension of time would not be forthcoming.

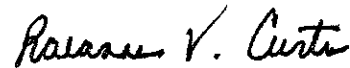
Finally, we are still left somewhat perplexed as to the Town's intentions. The Town has now had over three (3) years to investigate, market and prepare to acquire the property. The Purchase Notice, as contemplated in the Purchase and Sale Agreement, is a notice that the Town intends to purchase the property, not a notice that it may purchase the property. It was not intended to be used simply to expand upon the three (3) year period already set aside for the Town. In tendering the Purchase Notice, the Town obligates the State to obtain its State Transfer Approvals, an undertaking the State would not be required to make but for the Town's commitment to acquire the property. However, since tendering the Purchase Notice, the Town has taken no affirmative steps, to our knowledge, to satisfy its conditions to close on the acquisition of the property. Moreover, although the Town has made mention of holding a town meeting and a

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referendum, the Town has not proffered a closing schedule, a closing date or any other commitment to, in fact, consummate this transaction thereafter.

The State anticipates obtaining its State Transfer Approvals in the near future and intends to close in conformance with Purchase and Sale Agreement. We sincerely hope and expect that the Town will move speedily to perform the necessary acts to consummate this transaction within the contractual time frame.

Sincerely,



Raeanne V. Curtis  
Commissioner

cc: Governor M. Jodi Rell  
Secretary Robert Genuario, OPM  
George Finlayson, Esquire, AAG  
Jonathan Holmes, DPW DC  
Douglas Moore, DPW Chief of Staff  
Susie Hays, Esquire  
Bruce Chudwick, Esquire