

Prospect Town Council  
Special Meeting  
Unapproved Minutes  
February 29, 2016

Chairman Thomas J. Galvin called to order the Special Meeting of the Prospect Town Council @ 6:30 p.m. The meeting was held at Community School, 12 Center Street and began with the Pledge of Allegiance.

**Members Present:** T. Galvin, Pat Geary, Al DeLelle, S. Pilat, D. Merriman, Carla Perugini-Erickson, Jeff Slapikas, L. Fitzgerald and C. Graveline

**Members Absent:** None

T. Galvin advised that Attorney John Yarbrough gave clarification to the questions that were raised at the February 25, 2016 Special Meeting for the Purchase of Community School regarding Item 12 (b) if there were damages to the property prior to closing. Attorney Yarbrough gave the following information for clarification (Schedule A) that the subject is governed by Section 12 of the Agreement: ‘If the damage were estimated at more than 10% of the Purchase Price (\$87,300) then it is governed by subsection (a). Either party could terminate the contract, but if not, then the closing would proceed as agreed and the Seller would pay over to the Town all money paid or payable by insurance companies on account of the damage, less any money spent by the Seller (with the consent of the Purchaser) to repair damage. The Town would use that insurance money to repair the damage. In a situation in which the damage is less than 10% of the Purchase Price (\$87,300), that is governed by subsection (b) of Section 12. In that situation, neither party may terminate, but the Seller, at no expense to the Purchaser, shall repair the damage, or in the alternative, the Purchaser may choose to repair the damage and receive “an equitable abatement” (i.e., a reduction in the price paid at closing) sufficient to pay for having any necessary repairs made to restore the Premises to as nearly their former condition as is reasonably practicable. At this point, the Town and the District would discuss which way the Purchaser would want to proceed and how much of an equitable abatement there would be.’

The second question that Attorney Yarbrough clarified was in connection with Section 13 of the Agreement which states “Time is of the Essence (that the dates are exact and not approximate, such as for the Closing)”. ‘The question is what the impact would be of any situation in which there were a temporary restraining order action or other “delaying action” (meaning some form of litigation) that may be started by some party concerning the transaction to prevent it from going forward or challenging it in some fashion. Specifically, the question is what the effect would be on the Closing Date, now set for no later than July 15, 2016 but not before July 1, 2016.’ Attorney Yarbrough explained ‘in that circumstance, the Seller would not be able to deliver a certificate required at Closing by Section 3 in subsection 3(c) (iv) that all representations and warranties in Section 8 of the Agreement are true and complete as of the date of Closing.’ (Schedule A).

T. Galvin concluded the meeting by requesting of the Council two motions. **Motion** made by P. Geary, seconded by C. Graveline to reapprove and accept the Agreement for the Sale and Purchase of Real Estate for the Purchase of Community School.

**Unanimous. Motion** made by L. Fitzgerald, seconded by Al DeLelle to reapprove and accept the Resolution of the Town Meeting of the Town of Prospect, CT to purchase the property at 12 Center Street, known as Community School. **Unanimous.**

**Adjournment:**

**Motion** made by D. Merriman, seconded by J. Slapikas to adjourn the meeting.

**Unanimous.** Meeting adjourned @ 6:35 p.m.

*Thomas J. Galvin*

Thomas J. Galvin

Town Council Chairman