



July 20, 2018

Matthew Spaulding
President
Windsor Locks Canal Company
2 Elm St - Windsor Locks, CT 06096-2235

Re: Windsor Locks Canal State Park Trail, Windsor Locks and Suffield

Dear Mr. Spaulding,

The State of Connecticut, acting through the Department of Energy and Environmental Protection (the "DEEP"), entered into an Amended and Restated Lease Agreement on December 21, 2017 (the "Amended Lease"). The Amended Lease replaces a lease agreement dated June 20, 2007. The 2007 lease agreement was amended to facilitate the redevelopment of a former factory known as the Montgomery Mills building by BC Montgomery Mill, LLC. The Windsor Locks Canal Company provided BC Montgomery Mill, LLC a 99-year lease at no cost to facilitate the remediation and redevelopment of this historic factory into housing. The BC Montgomery Mill, LLC leasehold area overlaps with a portion of the area leased to DEEP under the 2007 lease agreement.

DEEP is a strong supporter of the redevelopment former Montgomery Mills building and commends the efforts of the Windsor Locks Canal Company in offering this lease to BC Montgomery Mill, LLC for no cost. This project helps the State meet its remediation and transit-oriented development goals.

DEEP is also very appreciative of the willingness of the Windsor Locks Canal Company to continue to partner with DEEP and offer the four and a half mile Windsor Locks Canal State Park Trail to the public at no cost to the State. Our partnership has enabled this unique recreational resource to be open to the public for outdoor recreation.

The Amended Lease requires DEEP to maintain commercial liability insurance naming the Windsor Locks Canal Company and BC Montgomery Mill, LLC as additional insureds. The Amended Lease specifies the type and limits of such insurance and requires DEEP to obtain approval of the sufficiency of such insurance by Windsor Locks Canal Company before the State Park Trail is opened. Unfortunately, DEEP has been unable to provide insurance that meets the clearly stated expectations outlined by the Windsor Locks Canal Company for reasons beyond the control of the DEEP. DEEP, however, is strongly committed to continuing to work with other State agencies, the Towns of Windsor Locks and Suffield, and private parties to secure a policy that meets the clear requirements outlined by Windsor Locks Canal Company.

On July 18, 2018, the Windsor Locks Canal Company offered to provisionally accept the insurance provided by the DEEP so the State Park Trail can be utilized by the public for the balance of the recreational season (the trail closes November 15th). DEEP recognizes the added risk the Windsor Locks Canal Company is taking and commends your good will offering. DEEP will continue to work toward a full resolution of this matter by seeking further bids for insurance or pursuing different means of obtaining insurance to satisfy the Windsor Locks Canal Company, and subsequently amending the lease to reflect the modified insurance arrangements.

We will strive to ensure that we honor your good will offering with an acceptable resolution that keeps this high-value public recreational asset available for years to come.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Robert J. Klee', with a long horizontal flourish extending to the right.

Robert J. Klee
Commissioner

cc: Hon. John A. Kissel, State Senator
Hon. Scott A. Storms, State Representative
Hon. Tami Zawistowski, State Representative
Chris Kervick, Town of Windsor Locks, First Selectman
Melissa Mack, Town of Suffield, First Selectman