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LAW OFFICES **TOWN OF
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November 4, 1993

James L. Truslow
36 Sakonnet Point Road
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Dear Jim:

I have read your letter dated October 5, 1993, that was addressed to the Little Compton Town Council. I want to respond directly to one of the points that you have raised. Specifically, you have indicated that the Little Compton Town Council has "blocked all funds" for the Little Compton Agricultural Conservancy Trust. This is not the case.

In fact, as far as I know, the Council has done everything it can to keep the Conservancy Trust functioning. The Council has even paid some of the bills incurred by the Conservancy Trust from the Council's contingency fund. If anyone is responsible for the slow-down of the activities of the Conservancy Trust, it is me. Allow me to explain.

In the past, the Conservancy Trust has most often been represented, on a pro bono basis, by Stetson Eddy, Esq., a member of the Conservancy Trust. Currently, Mr. Eddy is representing the Estate of Albert S. Crandon. His client hopes to sell land and/or development rights to the town/Conservancy Trust. I have been asked me to represent the town and the Conservancy Trust in regards to the Crandon acquisition.

Upon reviewing the matter, it became apparent that the taxpayers had not approved of the acquisition. I reviewed *Hayes v. Souther* and that case states that the:

... electors qualified to vote at financial town meetings possess the electoral power to determine the propriety of town expenditures and appropriations.

In addition, the *Hayes* case goes on to say:

The taxpaying voters at a financial town meeting clearly have the power to order taxes,

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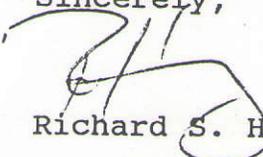
make appropriations and transact other business pertaining to the town's financial affairs.

In light of the *Hayes* case, I was left with no option other than to suggest that Conservancy Trust expenditures be approved by a financial town meeting. Approval can be either specific to one transaction, or included within a general approval that could conceivably cover many transactions.

After receiving my suggestion, the Town Council did everything within its power to enable the Crandon transaction to proceed. To that end, the Council asked me to explore various alternatives that would allow the Crandon transaction to take place. In response, I have suggested four possible alternatives that could allow the Crandon transaction to proceed. These alternatives essentially provide for either taxpayer approval or seller/third party indemnification of the town/Conservancy Trust in the event that a disgruntled taxpayer files suit. I am hopeful that the estate quickly exercises one of the options available to it so that the transaction can be concluded in the immediate future.

In closing, I must state that as far as I know, the Town Council respects the trustees and the goals of the Conservancy Trust. Similarly, I have a high regard for the purposes of the Conservancy Trust and the intentions of the trustees. The Conservancy Trust has done many positive things for the town. Nonetheless, because the Conservancy Trust utilizes tax dollars, the taxpayers should have a say as to how those tax dollars are spent.

Sincerely,



Richard S. Humphrey

RSH:alm

cc: Little Compton Town Council