

*******DRAFT*******

**PUBLIC HEARING UPON
PHASE I SITE PLAN DEVELOPMENT PLAN/SUBDIVISION
FOR THE LOST LAKE RESORT APPLICATION
TOWN OF FORESTBURGH, COUNTY OF SULLIVAN
STATE OF NEW YORK**

November 21, 2011

Supervisor Galligan called the public hearing to order at 7:00 p.m.

Roll Call: Present – James P. Galligan, Supervisor
Eugene D. Raponi, Councilman
John W. Galligan, Councilman
William B. Sipos, Councilman
Michael Creegan, Councilman

Absent – None

Recording
Secretary – Joanne K. Nagoda, Town Clerk

Others
Present – William D. Bavoso, Attorney for the Town
John Munsey – C.T. Male Associates
Tim Gottlieb, Gottlieb Engineering
Susan Hawvermale, Planning Board Chair

Town Clerk Joanne Nagoda read the notice of public hearing and submitted the affidavit of publication.

Supervisor Galligan asked Mr. Munsey to give a brief overview to how we have arrived at this point in the project.

Mr. Munsey introduced himself to the public and stated that C.T. Male has been the town's technical consultant since 2008. The application originally began in August of 2007, that is when the applicant began their studies on the property. In 2008 the applicant applied for a PDD sketch plan approval, following that we had SEQRA lead agency determinations for the project, at which time the DEC commissioner declared, in February 2009, after a lead agency dispute, that the town should be lead agency for the environmental review of the project. We then went through a scoping document of the DEIS to identify sensitive issues involved with this project. The applicant prepared a draft environmental impact statement (DEIS) looking at all environmental impacts and aspects of the project, such as traffic, wetlands impacts, and potential impacts to private water supply wells, doing hydro-geologic analysis. The draft DEIS was finally accepted for public review in May of 2010, we held a public hearing on the DEIS and then a final environmental impact statement (FEIS) was prepared and a SEQRA findings statement in order to close out the environmental impact phase of the project. That ended with the SEQRA findings statement being adopted in May of 2011. Now that SEQRA (New York State Environmental Quality Review Act) is complied with, it puts the applicant in the position of going forward to gain local and state and other approvals to move forward with the project. The specific approval that they are looking for at this point in time is phase 1 approval of the subdivision. They are not looking for final site plan approval, but a preliminary site plan approval, that will be followed by a site plan. Right now we are just honed in on preliminary site plan approval. C.T. Male, along with Tim Gottlieb of Gottlieb Engineering, the town's engineer, have been reviewing the application that the applicant's team has put together. It's primarily an engineering analysis making sure what they are proposing fits what has previously been described in the context of the draft and final environmental impact statements, that culminated in the findings statement. We are

now at a point where we all felt we are comfortable enough to have the public hearing on the phase one site plan application for the Lost Lake Resort. Mike Brinkash of Brinkash Engineering is here representing the applicant and he has prepared a presentation to give an overview of the project. Following the applicant's presentation there will be a comment period, but I would like to say while you may not get your specific answers tonight, to the extent that we can be responsive to comments we are prepared to do that. We do not want to get into a debate aspect of the project at this point in time. However, your comments need to be heard by the Town Board who will be making the ultimate decision on this project, of issuing site plan approval or not.

Supervisor Galligan added that parallel to this phase one application, the developer also has applications out to the DEC for the storm water and the waste water and all of that, which is a whole other set of approvals, but it is parallel to this. They are also moving forward at the same time.

Mike Brinkash introduced himself and introduced Randy Gracy of Double Diamond. Mr. Brinkash began his presentation with a slide of the phase one map which is what is being discussed here tonight.

Richard Feller asked Mr. Brinkash to point out landmarks and main roads to give everyone a better understanding of exactly where the property in question is located and where exactly phase one is going to be.

Mr. Brinkash continued by pointing out St. Josephs Road, Cold Spring Road, the Lost Lake area and the proposed main entrance to Lost Lake coming off of Cold Spring Road. Mr. Munsey added that the green area shown on the map is the phase one area. The development will be mostly on the north side and the south side will be for utilities. In 2007 is when Double Diamond began their studies, Mr. Brinkash briefly recapped the timeline that was previously explained by Mr. Munsey. We talking about four hundred residential lots, a sales building, the first nine holes of golf, a gated entry, a sewage treatment plant, water well tanks and storage all in phase one. As has been previously discussed, Double Diamond has historically low build out rates in all of their developments. There are also deed restrictions and covenants that restrict tree removal, design criteria for all buildings, the site will maintain fifty percent open space upon full development. At the completion of phase one, there are just under ninety four percent open space. What is being proposed for the infrastructure, which will all be owned, operated and maintained by the homeowners association, each roadway will be a fifty foot right of way, twenty foot wide pavement with five foot shoulders on each side and a speed limit throughout the whole resort will be posted at twenty five miles per hour. For drainage, everything will be roadside swales with culverts. We are going to comply with, through our storm water prevention plan, all water leaving the site will be at the same rate or less than it is now. Each lot will also have its own "on lot" control which helps us control the storm water when things are built out over time, so that we don't have these big over sized basins. The storm water will be controlled as the houses are built. The sanitary system will be a low pressure system that utilizes grinder pumps, everything is PVC pipes and meets the state requirements. It is same thing with the water and fire flow. As far as the electric, cable and telephone, it's our intention at this time to run underground from the lots and amenities to the main lines and the main lines will be installed overhead. Mr. Brinkash continued with commentary and description from Mr. Gracy of photographs of roadways, gated entrances, residences, clubhouses and hotels, other amenities at Eagle Rock and other Double Diamond Resorts in Pennsylvania and Texas. Mr. Gracy stated that there are amenities built in each phase and all are laid out. The reason for this is you don't build a hotel without a golf course and a restaurant for people to come to. That is why we phase in the residential lots with the amenities. This is also why you see the hotel in a much later phase. When the first phase is completed, it can stand on its own. All of the necessary infrastructure is there, if they are ready to build a house, all of the necessary utilities are there. The same thing with the second phase, the sewage facilities, roadways, everything is in place. No one can go in build a home and hope that the road gets paved.

Susan Hawvermale – I saw that the restaurant is not going to be in place until phase seven? Mr. Gracy responded that the clubhouse has a dining facility associated with it. There will be dining when the clubhouse comes online. What we will probably do is combine the restaurant in with the clubhouse, which comes in phase three I believe. Mr. Brinkash stated that he believed the restaurant does come in at phase three.

Mr. Brinkash continued that we are seeking preliminary phase one approval. We are working with the outside agencies, right now these are the permits that are actively being pursued by the DEC, storm water pollution prevention plan, wetland crossing application, Delaware River Basin Commission (DRBC) ground water withdrawal permit, DRBC discharge permits, Department of Health (DOH) public water supply permit, DEC public water supply permit, state pollution discharge permit, Sullivan County Division of Public Works road access permits,

when all permits are in place we will then seek final plan approval for phase one. That is pretty much the end and we are prepared to answer questions.

At this time Supervisor Galligan opened the floor to the public.

Carol Travis – How long do you anticipate these different phases to take? Just for a timeline, is it going to take one year, two years, have you already estimated this kind of thing? Mr. Gracy responded that this plan is supposed to be seven phases. Historically, we bring on a phase per year. Once phase one is substantially completed, then we'll commence with phase two. Phase two will come on board when we are completing phase one. Once we are well into phase two, we will start the planning and permit applications for phase three. If sales go the way we have projected, and we have no reason to believe they won't, this should be a seven or eight year project.

Ivan Weinger – What is the targeted income level that you have projected? For the homeowners. Mr. Gracy stated that in their marketing department, the prospective buyers we target have to be credit worthy and have a minimum household income for them to qualify. We do this for more than one reason. One, we want people that can afford it, and will continue to pay for it and it's a guideline we worked out with our lender. We assure our lender that our prospective buyers are going to meet this criteria. I don't know if we have set the household income for here yet, at Eagle Rock it's like eighty thousand dollars, and I could be off on that, but I don't know if it's been totally determined for here yet. Mr. Weinger asked if the restaurants would be open to the public to which Mr. Gracy replied yes.

Gay DiVirgilio – How many houses do you plan for each phase and will you complete the number of houses in phase one before you begin phase two? How do you plan to control the building? Mr. Gracy responded that number one, we, as a developer, do not build the homes. We subdivide the property, build the infrastructure and sell the residential lots. It is up to the individual lot owners to build when they choose to, they get to choose their own builder, but to answer your question, all of the homes are not going to get built. We have stringent requirements with our architectural control committee that they have to abide by, as far as the size of the home, the location of the home – there are a number of restrictions – Mrs. DiVirgilio stated that you could sell all of the lots and have no homes. Mr. Gracy stated that it's possible – it's never happened, but it's possible. That is why we have indicated before, and all of these resorts that we just showed you, the oldest one dates back to 1990, we started that one from scratch, just like all of them. There is less than 20% build out at that resort right now and it has fifty five hundred property owners in it. And that is twenty one years later. The next one was started in 1993, it has thirty five hundred property owners in it, and it has less than fifteen percent build out in it. They are very nice homes, a lot of weekend homes, some permanent residents – but again, we have an awful lot of lot purchasers that purchase for the amenities. If you are a lot owner, you get free golf, discounted restaurant and hotel fees and things like that, people like to own a piece of real estate and have a place to get away, and a lot of them have plans to build a place later when they are closer to retirement. People build at different times of their life.

Carol Travis – What's the difference between owning a lot and being a member of the public that can come in and utilize the facilities? There must be some reason why they would want to own a lot instead of just going in to use the facilities. Mr. Gracy stated that if you are a lot owner, you are going to get a discount in the restaurant, in the spa, in the hotel. If you are a lot owner, there are other privileges that come with it. We offer "x" number of free rounds of golf that come with it, there are other amenities – like the swimming pool and water front park – those particular amenities are not designed to be open to the public. The restaurant, hotel and golf course are the only things open to the public.

Brian Gehringer – Forestburgh is a very small community, like maybe nine hundred-ish, at the last census. So I was wondering if you were looking to ingratiate yourself into the community but offering an enhanced access for residents, that would maybe give us access to some of those amenities that the general public wouldn't. I can't imagine that the usage percentage would be more than a couple of people a day. Specifically, for my family, I mean there is a playground here, so we could come here with our kids, there is a pool here, we don't need that, but we just saw in the presentation that there are going to be walking and hiking trails and I don't know if there is anything closer than Wurtsboro where we could go and do that. I would be very interested to go and do that, even if I had to pay a small fee to do so. Mr. Gracy replied what we have done elsewhere, and I'm sure we will do here as well, is if you choose not to become a lot purchaser, we have created membership packages. Where you would be subject to a reduced annual maintenance fee, unlike the property owners and have access to the amenities. Those types of

memberships, if we were to do it, would be limited to your geographic location. We just don't open them to everyone. We would create something within, like, a five mile radius, or something like that.

Ivan Weinger – Based upon your own experience, what percentage would be second homes versus full time residents? Mr. Gracy stated that in his opinion, the second homes would be fifty percent or greater. Mr. Weinger then asked what percentage would be just lot owners? Mr. Gracy questioned ones that don't build – that would be eighty percent, that won't build in the next twenty or thirty years. That is what I meant when I said twenty percent build out in twenty years. Twenty percent of those who purchased a lot actually went in and made improvements to their lot by putting a home on it. That is why in the one photo of the valley that was taken from the balcony of the hotel at Eagle Rock – it looks like forest. Between the trees that we have preserved, in that picture there are several miles of streets and several hundred homes in those trees that you couldn't see.

Richard Robbins – When you move into phase two, what percentage of the lots in phase one have been sold? Mr. Gracy stated that is what triggers going in to future phases. If sales go like we have projected, this will move at the pace I mentioned earlier. To answer your question, probably between sixty and seventy five percent. Mr. Robbins continued – with regard to the infrastructure build out – I will focus right now on the sewers – the sewage treatment facility that you build, as part of the infrastructure of phase one, has the capacity to take a full build out of the phase one properties that are connected or less than that? Mr. Gracy responded that the way the sewer permits work, is that you get a discharge permit to handle the effluent as if there were a home on every lot. The sewer treatment plant can be built in phases. If you go out and build a plant that's capable of handling a million gallons a day that only has two homes going to it, just doesn't work. What we do is buy multiple package plants. The first package plant that is going to be designed is between fifty and a hundred thousand gallons per day, although the discharge permit is there for the build out – the plant may not be. The rule of thumb is that when that plant is at seventy five percent of it's capacity, that is when you start with the permitting of the parallel plant. This is all governed by the DEC and other state agencies. Mr. Robbins continued in your layout, in the cost of the development, you build a shell of a plant, that at the time of full build out will take so many packages within it. And you place one, two or three packages within it when you hit a certain build out rate. Is that how it works? Mr. Gracy replied based upon the design of the sewer plant and the way it's designed to be expanded, yes. Mr. Robbins asked if there is one sewer plant for all seven phases that has capacity to add stages. Again Mr. Gracy replied yes, for the full build out. Mr. Robbins then asked if you are at the end of the sixth phase and are getting ready to start the seventh phase, historically, how much property do you maintain, as a developer within the unit as a whole? Mr. Gracy stated that the property that the hospitality businesses are on is what we continue to own. Primarily the golf course, the clubhouse, the restaurant, the hotel and the conference center, those are the things that generate revenue that are open to the public. The amenities that are built exclusively for the property owners only, get conveyed to the property owners association. Mr. Robbins asked – the financial responsibility for the infrastructure – such as the sewage treatment plant – does that at some time go the property owners or is that maintained by the developer in perpetuity? Mr. Gracy replied that the utilities – you form a special corporation to operate the water and sewer companies. The developer will fund all of the initial infrastructure. When it's time to expand those facilities, because we're getting more and more homes coming on – then you have revenue coming in. Those revenues will help fund the future expansion of the water and sewer plants. Mr. Robbins asked if it was from the property owners who have chosen to build? Mr. Gracy replied yes, those who have to pay a water and sewer bill. Mr. Robbins continued that his concern, as a property tax payer in Forestburgh, is the concern that there will be an expensive to operate and fix if it breaks, sewer facility that will be owned by a corporation that is in turn, owned by property owners within the group, my concern is what happens if they are not fiscally capable of maintaining the unit? We have all read in the papers where other developments sewer units have failed and ... Mr. Gracy stated that the utilities are going to be owned by the homeowners association. It will be a transportation corporation that is set up with the developer and an association with the town, but to answer your question, in the event that something happens, and there were no funds available to expand or repair the facility and the developer is gone, then by creating this special corporation, there would be a taxing authority by the town that could exercise the tax on the real estate just within the development. It would not affect the other properties within the Town of Forestburgh. The funds would be generated by the taxes of the property owners within the Lost Lake development with no additional taxing to any other resident. Supervisor Galligan stated that part of the plan is that when the approvals go through, the districts will be established at that time, Hopefully it will never happen, but if it did happen, the water/sewer districts are already established and residents of Lost Lake are responsible for those taxes. People who are not benefitting from that water/sewer plant are not responsible for paying for it.

Ruth Mary Weinger – What are the average size of the lots? Mr. Gracy replied that they are going to be between a third to a half acre. Mrs. Weinger continued that in your experience do your property owners own multiple lots? Mr. Gracy responded yes, I wouldn't say a very large percentage, but you would be surprised how many people choose to purchase two or three lots next to each other.

Richard Feller – You indicated earlier that you would be going with underground utilities for inside the property but you were going to be anticipating overhead and you indicated that would be on the St. Josephs Road line, is that correct? My question is this, where are you pulling power from? Mike Brinkash responded that is part of our discussions right now with the electric company. Once we get it to the site everything in the development will be overhead on the road rights of way and then underground laterals to the lots and amenities. Mr. Gracy added that to answer your question where is the power coming from, a gentleman that works for me had a meeting with Orange & Rockland today. They had a discussion on the overall power needs of this project. They were provided with the master plan, and we informed them of where we are going to need power initially, the water plant, the sewer plant and the entrance. Mr. Feller asked if they could show on the map where the water and sewer plants are proposed to be located. Mr. Gracy continued that once you provide the electric company with all of this information, it's up to them to decide how they are going to get the power to you and where they are going to bring it from. I don't have an answer for that today, they are currently working on it. I am curious to know. Mr. Feller continued that he too, is curious and that they have had this discussion before. That is why I wanted to raise it at this point, to find out if any conclusion has come with that, but the answer at this point is that they have not given you any definitive answer as to where they are going to be pulling power from. Mr. Gracy stated that what he is thinking, the fact that I need power here (pointing to map) and I need power over here – I wouldn't be surprised if they didn't some upgrades and bring power to here from the south. They could probably serve this (again pointing at map) from the north and way over here on the west side of the property, where the water plant is, they could upgrade their system and come from this direction. So we don't really know. Just out of curiosity, Mr. Feller asked did they give you any anticipated date when they would have some preliminary plans to you indicating where they are drawing from? Mr. Gracy responded no, they gave no timeline to us, but they know what stage we are in, in the plan, so I don't expect it to be long, I would expect preliminaries back in a couple of weeks. Mr. Feller stated that it is obvious they are going to supply power from both sides, because your water and sewer are on one side and your housing is on the other.

Ivan Weinger – Why is this question important, I don't understand?

Richard Feller – You are not questioning my right to ask it, you are asking why it's a germane question – ok. The question is germane to everybody that lives on Cold Spring Road. The utilities that exist currently are so sub-standard, our electric is substandard, we have extraordinary fluctuations in our power, that is the first thing. So if Orange & Rockland is going to be drawing power to this development, then it's important to the residents that live there already to know if there is some way that they can have their power improved at the same time this is happening. As you well know, when you live in a really rural area, which is pretty much all of Forestburgh, when things go bad and the power goes out, especially now that Con Ed owns Orange & Rockland, we're the last ones to get serviced. This is our last, best chance at getting an upgrade in utilities. At the same time, the next level of utility is phone service. To get that upgraded and then the next level of service is internet access and television, which no one on that road enjoys at this time as in other sections of Forestburgh. That is why it's germane at this point. They way you are doing it may actually work out to be the best scenario for the residents on Cold Spring Road because if they have to go in both directions then they are not going to loop good wiring over the bad wiring, they are going to be replacing it all, so we would all reap the benefit of that. As I have said before, as it appears this development is going to go forward, I wish you all of the luck in the world and the best because it only benefits us to see you be successful. At the same time, and this is why I raised this, if there are things that can improve the quality of life for those that are already there, I would like you to do that as well. Mr. Gracy stated that he would like to expand on the power issue, again, based upon my experience, because of the potential demand that is going to come for this power company, I've seen power companies serve us, when they upgrade their service, they generally start at a substation and they upgrade from the substation, which can be as much as a mile or two away, that is where the upgrade starts. So once you get that upgrade from the substation to the resort, everything in its path gets upgraded. I don't know what direction these guys are going to come from, but I don't see how they are going to provide service to us without upgrading the lines along the way. Mr. Feller stated that he agreed with Mr. Gracy and that the other thing is, and it's not directed at you (Mr. Gracy), but more to the Town Board, it is an issue that I have raised at least three or four times at various meetings and that has to do with the water supply. At the last work session that you folks had I attended briefly, one of the things that came up was your intent NOT to use water from Lost Lake to irrigate

the golf course but to totally draw it from well water supply. I don't know if that is still the intent or not. The issue that I have had all along, even with your build out at say, twenty percent, the issue that I have raised every time, at every meeting, again with the people that are living on that road. I've mentioned it to the Town Board, I've raised it as an issue, I've got acknowledgement of the concern, I was told by the Town Attorney that there will be times to raise this issue, when people are going for their permits and the approvals that you are going for now, so here I am again raising this concern. The concern is that in the findings statement there is some language with regard to the possible effect of the development on the wells of existing residents that currently live in that area along Cold Spring Road. The language that exists in the findings statement puts the burden of proof, for the most part, on the homeowners. There was one meeting where it was discussed at some length, but quite honestly, at this time, there hasn't been any adjustment, any change or anything that would give the homeowners on Cold Spring Road any reason to feel that the issue that they have regarding their wells existing and supplying them with water is something that we should not fear. I've asked the Town Board, I've waited, I've waited, I've waited – this seems to be the time, the time before seemed to be the time. Quite honestly, with regard to this issue, my good nature is dwindling. Are you going to do something about it? Especially in light of the idea that they want to irrigate from the wells which is a larger draw on the water supply than if they were irrigating from Lost Lake and the wells. Obviously if you are irrigating from wells, the reason why you are irrigating is, and you will irrigate more, when you have drier weather. When you have drier weather, you have a lower water table, which make this situation even worse and exacerbates the problem. So I understand, and I started again by saying I want the developer and the development to be successful, but where is my protection? Where is the protection of my water supply, that if this happens, and for some reason, and I have lived for over twenty years in that area, as well as most of the other people that live on Cold Spring Road, and I don't know anybody that has had any issues during any drought or any weather, any conditions at any time during any given year, where anybody has lost their water supply. Where is the protection for us that when you bring in the multitudes, who are going to be drawing more water, where is our protection? Where is...you grant requests from the developer, and I happen to like Randy, you grant requests that they have, where is the granting of the request that we have? Supervisor Galligan stated that we are working on getting this resolved. Mr. Feller continued how do we work on this? Randy sits down with you, you come to a decision and Randy says "yeah, you know what, it's "x" amount of homes, the obligation isn't on them it's on us if they don't have any water once we start using the water, we'll drill them a new well or we'll hook them up to us". It's pretty simple. Supervisor Galligan continued that we have already had discussions about extending the water down there and you were here for that discussion. Mr. Feller asked where is the conclusion to this? Supervisor Galligan continued that is in the approval. Mr. Feller asked if this would be worked out before this project is approved. Supervisor Galligan replied yes, it has to be. Councilman Galligan stated that the approval would have to be contingent upon protecting your rights. Mr. Feller stated that he's not going to hear at the final approval of this phase "listen Rich, we don't have to do it now. Come back at the next phase". The Town Board replied no. Mr. Feller stated that was all he wanted to hear. Randy is a reasonable guy, we're all reasonable people, for the size of this project, especially with the bonus lots that you voted and approved on, you exponentially increased the bottom line available to the developer. That being the case, there should be a small amount there to protect the homeowners that are existing. I apologize if I got a little...but I am getting to the point where I really would like an answer, and you gave me the answer. Supervisor Galligan stated that the board has been discussing this issue and that is the major issue, especially with the people on the Cold Spring Road. Mr. Feller said thank you, I appreciate it.

Kim Stacy – My name is Kim Stacy and let me give you a little background, my husband and I have been caretakers for the Bushkill Stream for thirty six years. It is a pristine trout stream. We stock both native and stock trout. My concern is your septic. The temperature for trout has got to be cold. They just don't like warm water. I don't think you are going to have the answers that I need tonight, because it's been basically a generalization in talking. My questions are about the temperatures of your discharge water from your septic tank, the chemicals used to treat your septic tanks, the number of gallons per day that will be discharged and for how long? Are you going to be discharging for thirty minutes, an hour, whatever, this all feeds into my little stream. I don't think we have answers tonight. Mr. Gracy responded, well, I believe that we do. All of the concerns that you just mentioned had to be addressed in the applications with DEC in order to get the discharge permit. The stream has a certain classification, classified by the DEC, they are fully aware that it's a trout stream and all and they know what kind of conditions need to be met in order to discharge effluent into that stream without affecting the aquatic life in it. Not all discharge permits are the same. Some are more stringent than others. When the DEC issues their sewer discharge permit, those parameters are going to be outlined as to what has to be maintained. The engineers then take that information and design the sewer plant to make sure it can break down the effluent and meet those discharge standards before it's discharged into the stream. Mrs. Stacy then asked if there was an emergency response plan for over flowage within

your treatment plant? Mr. Gracy replied he is sure we do. I didn't bring my water and sewer engineer with me, but trust me, if it's a requirement with the DEC and all, and I'm sure it is, I am certain there is one already included in our application. Supervisor Galligan added that there will time during the permitting application process for the Bushkill Club to submit their concerns.

Alan Kulchinsky – My comment is on phase one of the site plan. This is a two thousand acre parcel, and the only property/homeowners that live on Cold Spring Road, there isn't anybody on St. Josephs. Phase one, when I look at it, it practically borders the back of my property line. I was wondering if there was an opportunity to move phase one, possibly on the other side of Lost Lake or the south side, or at least create a greater distance between the back property line of the people who live on Cold Spring Road and phase one. Mr. Gracy stated at this stage of the game, to swap phases, that is not how everything has been designed, submitted and going as far back as the draft environmental impact statement (DEIS) , final environmental impact statement (FEIS) and the SEQRA process, to help address your concerns, we've maintained an additional buffer between us and the boundary of the property. If I am not mistaken, there is a fifty feet buffer around the perimeter of the property and keep in mind, beyond that, there is a rear building setback for the homes there. It's our restrictions against the removal of trees and all, there is going to be a significant buffer. Mr. Kulchinsky stated that the trees aren't going to stop the noise once the building is going on. There have already been days when they were drilling the wells and you couldn't hear yourself think until five o'clock when they stopped for the day. So there will be noise. This will affect my quality of life since it is so close to my back door. Mr. Gracy responded will there be some noise, yes, if you are going to build a road, there is going to be a bulldozer and dump truck running for a period of time. Once that road is finished, then that kind of noise won't happen again. The only noise you will have after that is typical home construction, and that could take place in any neighborhood. Then again, that is limited and we have taken it into consideration. As far as the drilling of water wells, we are hopefully not going to have to drill many more wells and if we do, it will only be for a limited period of time. The majority of the wells are drilled, so the bulk of the noise has already taken place. All that is left to do is go in and place the pumps and things like that.

Mary Ann Toomey – Where are the location of the wells? Mr. Brinkash referred to a map and pointed out the location of all of the wells on the property. There are four wells in the southern portion. Ms. Toomey then asked if there would be more wells after phase one to which Mr. Brinkash replied no, he did not believe so.

Carol Travis – If you only have twenty percent build out, and your planning condos and rental cottages and a hotel, I worry about this being more of a rental company than a second home recreation area which is the way it has been presented. I've never liked the idea of a rental. Mr. Gracy replied that we don't want to have rental property because that defeats our hotel business. For us to promote rental property, that would put my hotel out of business. We are proposing to have cabins for rental, which are actually custom homes, because there are families who will ask if we have something more than just a hotel room, and we do, it's going to cost them, but that is the only rental property that we deal with. We don't have a rental community.

Katherine Barnhart – Ms. Barnhart requested that the location of the cabins, condos and hotel be pointed out on the map. Mr. Gracy and Mr. Brinkash indicated their locations. Mr. Gracy added that the cabins are down near the amenity village because that area there has the clubhouse, restaurant, hotel, swimming pool, conference center.

Carol Travis – Who uses the cabins? Are they the lot owners? Mr. Gracy replied you would be surprised, most of our clientele and hospitality business is from lot owners. They live eighty or ninety miles away and like to come up for the weekend. They are generally the ones that fill up our hotels and cabins and fill up our restaurants. Mr. Munsey added that it isn't until phase four that fifteen cabins are built and then in phase six, another fifteen cabins plus the twenty condos. So phases one, two and three involve only single family lots. Mr. Gracy continued we don't offer anything for rental until phase four and the hotel doesn't come on until phase seven.

Susan Hawvermale – Didn't you have some of those built at Eagle Rock? Didn't you take us through some of those? Mr. Gracy responded that they do have some rental cabins at Eagle Rock. We do have a few condo buildings that are ear marked for homeownership, and we have the demand for the rental units.

Katherine Barnhart – Are all of the condos in phase one or are you just pointing out the ones that are? Mr. Gracy continued that there are no condos until phase four.

Brian Gerhinger – I believe when I was reading the amenities section that you are going to build a public access park, is that correct? If so, can you indicate on the map where that will be located? Mr. Gracy replied yes, and it will be constructed in phase seven. Mr. Gerhinger continued that St. Josephs Road will remain open, are you going to have bridges to connect your development, I think that is what I see on the map. Mr. Gracy responded that we will have “at grade” crossings from the north to the south and vice versa until the seventh phase and at that time is when we agreed that we would physically tunnel under St. Josephs Road with the resort road to connect the north and south sides. St. Josephs Road will remain a public road.

Ivan Weinger – How many rooms are you planning in the hotel? Mr. Gracy replied that he didn't remember, he believes about thirty to forty five.

Gay DiVirgilio – Are you going to put up a couple of cell towers? Mr. Gracy replied they would definitely offer up the real estate for a tower. We have done this before at our other resorts. Unfortunately the decision making on where and when is done by the phone companies themselves, we've lobbied on behalf of the property owners themselves before, and we've been successful in the last few years. A tower was added to the Eagle Rock Development in Hazelton and we had poor phone service at our Lake Whitney Resort that a tower was eventually installed. I suspect in time, the same thing will happen here.

Alan Kulchinsky – Does the Town Board now have to approve the site plan? I thought that was what this meeting was about. Supervisor Galligan responded that we have the final approval but it won't be tonight. Mr. Kulchinsky stated that he thought Mr. Gracy stated that the site plan is the site plan and phase one couldn't be moved to accommodate the residents. Can there be changes to the plan? Supervisor Galligan responded that is a pretty heavy duty change. Mr. Munsey added that minor changes can be made to the context of the existing SEQRA record without having to go back and supplement or augment the existing record on file, but the wholesale movement of phase one, phase two and interchanging certain areas would represent a significant change, with really no basis for doing so. There is no reason why that would be done any differently. So minor changes could be made but wholesale changes would put the applicant in a position of having to go back and re-start their overall SEQRA review, which really isn't fair. It has been done, there was substantive public comment that has already been received and we're now at the phase of now trying to have subdivision and site plan approval on a preliminary basis by the Town Board of just phase one of the overall Lost Lake Resort that has already been evaluated. Mr. Kulchinsky stated that Mr. Gracy said there if a fifty foot “greenway” buffer between my property and theirs, is it a minor change to move that to one hundred feet? What constitutes a minor change? Mr. Munsey stated that one of the issues that we are still going with the applicant is structures within one hundred feet of the property line, and we have identified, using aerial photography analysis, two structures, one a house and one a shed that are within one hundred feet of the property line and we have not yet received that information back because it is required to be shown on the site plan. So it is possible that your house, and you can look at my computer screen here, is the house that is within the one hundred foot of the property line and we haven't gone through that level of analysis yet with the applicant. We've just given them the information that these two structures need to be shown on the site plan. There is a presumption that any structure beyond one hundred feet of the property line isn't going to create a significant issue. That is a requirement of the town code. Mr. Brinkash added that he thought it should be noted that a fifty foot minimum buffer and I can show it to you here (indicating on a map) there are actually three lots that are within the fifty feet and there are two others that touch it on the corners. A lot of the development is one hundred fifty and two hundred feet from the property line plus the additional building set back, we understand your concerns and it's only a few locations where we get close to that fifty feet.

Katherine Barnhart – Is phase two going to have the same kind of procedure as this is? Supervisor Galligan replied if you mean the hearings and so forth, yes. Absolutely. Ms. Barnhart continued so that the concerns about the water, that we have heard over and over again, and not just Richard's well, in general, the availability of water is sufficient to supply all that needs to be done within the subdivision, are we certain now that we have adequate water to meet the needs of phase one fully built out. Has that been fairly established? Supervisor Galligan replied that they have demonstrated that they have water for almost the whole development. That was a requirement before they got the approval of their environmental impact statement. Mr. Munsey added that the DEC has to issue a permit for that as well. Based upon the hydro-geo analysis reports that have been done to date, phase one can clearly and easily be serviced by the existing wells. It's only when you get to phases six and seven the DEC might have a question regarding the adequacy of the wells, so the town is really relying upon the condition of the preliminary subdivision approval and the obtain of permits from the DEC before final subdivision approval can be granted. Within the

SEQRA review that the town took a hold of, the reason the process took so long to get through is, we essentially, not in a bad way, made the applicant go back and install more wells to demonstrate they had enough water to meet the whole development not just phase one. Two hydro-geologists at C.T. Male, one of them being me, have reviewed all of the water, hydro-geo reports that the applicant has submitted and we are in agreement that they have made a demonstration that there is enough water on the site for the whole development. Not with standing that, they have to go to the DEC and get a permit for phase one and demonstrate to the DEC that there is enough water for the whole entire project, even not using surface water from Lost Lake for the golf course irrigation. This will be gone through for every single phase of all of the phases of the development. For both the water treatment plant and the sewer treatment plant, they will be permitted on a phase by phase basis by the regulatory agencies, primarily the DEC. Ms. Barnhart then asked if the density has been set for phase one, two three and so on – so the density may not be changed as we go forward. Mr. Munsey replied it cannot be increased as we go forward, it may be decreased.

Eugene Blabey – When do you expect to begin construction? Mr. Gracy replied that they are getting pretty far in our reviews of the pending applications with the various agencies. We've gotten more than one round of comments from most of them. I'm optimistic that in a couple of months from now we'll be really close to getting the permits from all of the outside agencies. I hope to get provisional subdivision approval from the town board with the condition that upon receipt of the other outside permits, and then we will be ready to put a shovel in the ground. I'm hoping early spring.

Vince Mancuso – Have any negative environmental impacts been addressed or exist as far as Lake Joseph is concerned, during the SEQRA process? Mr. Gracy replied not that he was aware of, other than the eagle nests that are there. The DEC did give us restrictions if we have blasting to do, time periods and distances mainly. Mr. Mancuso then asked about the lake itself, is there any chance of contaminants. Mr. Gracy replied there was not anything brought up that he is aware of that would affect the lake. Supervisor Galligan stated that any discharge from the storm water and sewer treatment plant goes towards the Bushkill and the stream that Mrs. Stacy brought up, nothing goes in your direction.

Dan Scott – How many gallons a minute will be pumped out of the ground to water the golf course, I know it's a hundred and eighty five thousand a day for the whole golf course, but what about the initial nine holes? Mr. Gracy replied half as much. That is pretty much the maximum demand in the summer time. Mr. Scott continued that his concern is the head water of the Bushkill stream, you light off those pumps, Lost Lake will probably lose some water, speaking to Richard I know he lost eight percent of his well during a wet season when they ran the wells for twenty four hours. I know what's going to happen, it's going to become a warm water fishery. Trout spawn at fifty five to fifty eight degrees, the water coming out of your septic according to your information is seventy degrees it's going to warm that Bushkill stream up a lot. Mr. Munsey responded I don't mean to be confrontational at all, but the DEC is not going to issue a permit unless they feel confident that the classification of the stream is going to stay the same. Mr. Scott continued that he is worried that more head waters they pump out of the ground, the reason Lost Lake is there is that it's at the top of the mountain. They put in a dam, the ground water runs into it and you have a lake, when they start pumping at six hundred feet they are already affecting Richard's well at two hundred feet, so I tend to think that the surface water is going to go down and they will pump more to keep their lake full. Of course they are not going to pump until the water is over the dam, but the water coming down is going to be (inaudible) and the temperature is going to go up. It's going to be you said, he said, but you can have one expert say one thing and another say something different. When you flush a toilet it all goes out, not just the bottom and this is going to be the same thing. Your sucking a hundred and eighty five thousand gallons a day out of this little tiny stream – it's going to go down. I know a lot of their developments are in warm water areas; you go to Texas everyone fishes bass and warm water fish. I'm just making a statement; it's going to affect that stream. Mr. Munsey wanted to point out that there is a safeguard that's embedded as well. There are seven phases of development. Right now, Randy is only asking to move forward with phase one of the development. There are additional monitoring requirements monitoring both Lost Lake and adjacent residential wells that need to be satisfied during the project. If for some reason an anomalous condition does develop during phase one, two, three, four it's going to call into question the conclusion that are made thus far on the project and it's going to put the town in the position of potentially making changes to the project based upon real time information as the project develops.

Supervisor Galligan asked if anyone else wished to speak. There was no response. He then stated that the board has agreed to leave the hearing open until December 1, 2011 for any additional written comments, please be sure they

are addressed to the town clerk. MOTION by Councilman Galligan, seconded by Councilman Raponi to keep the public hearing open for written comments until December 1, 2011. Vote: 5 ayes – 0 nays. Motion carried.

Supervisor Galligan also reminded everyone that all maps and plans are on file for public viewing and inspection in the clerk's office during regular business hours.

ADJOURNMENT – MOTION by Councilman Sipos to adjourn at 8:45 p.m.

Respectfully submitted,

Joanne K. Nagoda, RMC
Town Clerk