

## Town Clerk (Town of Neversink)

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**From:** Chris Mathews <supervisor@townofneversink.org>  
**Sent:** Sunday, August 7, 2022 11:59 AM  
**To:** Keith Zanetti; Nicole Gorr; Scott Grey; rcoombe.z93246391; Lisa  
**Subject:** Fwd: Letter from Concerned Citizens of Neversink regarding Kerilands  
**Attachments:** Letter to the Town Board of Neversink (8-5-22 corrected).pdf; Untitled attachment 00010.htm

Sent from my iPhone

Begin forwarded message:

**From:** Concerned Citizens of Neversink <concernedcitizensofneversink@gmail.com>  
**Date:** August 6, 2022 at 10:37:08 AM EDT  
**To:** supervisor@townofneversink.org, "Town Clerk (Town of Neversink)" <townclerk@townofneversink.org>, pbzbaclerk@townofneversink.org  
**Cc:** druzow@woh.com, gfaucher@woh.com  
**Subject:** **Re: Letter from Concerned Citizens of Neversink regarding Kerilands**

Dear all,

Our letter emailed to you yesterday inadvertently misspelled the last names of two of our signers, Peter Schoenburg and Victoria Schoenburg. Attached is a corrected copy of our letter. Please substitute it for our earlier submission, including for purposes of posting our letter to the Town's website.

We would be grateful if you would let us know that you have received this email with the corrected letter.

Many thanks.

Concerned Citizens of Neversink  
P.O. Box 424  
Neversink, NY 12765  
Telephone: (845) 747-0656  
Email: concernedcitizensofneversink@gmail.com

August 5, 2022

Town Board  
Town of Neversink  
273 Main Street  
P.O. Box 307  
Grahamsville, NY 12740

Kerilands

Dear Supervisor Mathews and Councilpersons Coombe, Gorr, Grey and Zanetti,

The July 12<sup>th</sup> public meeting about the Kerilands development proposal was of great interest to us. Thank you for holding the meeting and allowing members of the public to express their views and concerns. We would like to comment further and in greater detail about the Kerilands development proposal than the public comment session at the meeting permitted.

1. Publicly Available Documentation

Contrary to Councilperson Coombe's assertion at the end of the July 12<sup>th</sup> meeting, there is important correspondence and other documentation in the Town's possession that has not been posted to the Kerilands folder on the Town's website. As one example, the Garigliano law firm sent a 17 page letter to the Town to Supervisor Mathews' attention in April, copied to the other Town Board members (the "Garigliano Letter"). The Garigliano Letter responded to the Supervisor's letter of May 13, 2021 requesting information (the "Town Letter"), set out many details about the developer's advisors and the development proposal that are not otherwise available from the developer's presentations, and made numerous claims on behalf of the developer. Neither the Garigliano Letter nor the Town Letter has been posted to the Kerilands folder on the Town's website. Another example is the test well drilling documentation, showing among other things where the developer proposes to obtain water for its development.

The Kerilands development proposal is the single biggest proposed change in the character of the Town since the building of the reservoirs. Town residents deserve to be kept fully and currently informed about the details. Making information available as legally required in response to a Freedom of Information Law (FOIL) request is not a substitute for complete transparency and making all information publicly available to Town residents for review. We request that the Town make publicly available, on its website, all Kerilands related records, including studies, permit applications, test results, and correspondence and email communications between the developer and its representatives and the Town and its representatives.

Attached are copies of documents in the Town's possession that we believe should be posted to the Town's website for public review. The Garigliano Letter should be made available complete with its enclosures.

The Kerilands presentation posted to the Town website on July 14, 2022 entitled "2022- Kerilands 07/12/2022 TON Special Meeting" is not the same presentation that was shown by the developer at the July 12<sup>th</sup> meeting. For example, the meeting presentation had a detailed comparison of the developer's two options that included hotel and sales tax revenue projections for the resort development proposal. We request that the Town post the same presentation to its website that the developer presented at the July 12<sup>th</sup> meeting. We also request that the Town ensure that any future presentation or other materials presented by or on behalf of the developer are made publicly available in the exact form presented.

## 2. Public Process

We have now heard two unfiltered, one-sided presentations about the Kerilands development proposal from the developer arranged by the Town, without any response, rebuttal or countering presentation from the Town Board or the Town's advisors. Will there be such a presentation, so that Town residents have the benefit of a different viewpoint that has their interests at heart? If not, why not? Town residents deserve to have the best available information about a proposed project that if approved will make vast changes in the character of our community, so that they can decide whether the benefits to the Town are outweighed by the burdens and negative effects.

We also request that the Town hold a meeting to publicly explain the processes and procedures involved in reviewing any formal application regarding the Kerilands development, including a presentation and explanation of the Project Review Timeline that was posted to the Town's website.

Finally, we request that the Town confirm to its residents that there are no formal proceedings before the Town at this time with respect to any issue related to the Kerilands property or any proposal for its development, and that in the event that any such process begins, the Town will notify its residents and will post all information about such process, including relevant dates or deadlines, on the Town's website.

## 3. The So-Called "Option A" Is Not Real and Would be Subject to Town Approval

As several speakers pointed out at the July 12<sup>th</sup> meeting, the 297 residence development option discussed by the developer is an obvious straw man and a transparent attempt to intimidate the Town and its residents into supporting the developer's preferred alternative. There is no real world, economically feasible scenario in which 297 high-end, sizable residences could be constructed on the Kerilands property, given steep slopes; infrastructure, septic system and well water limitations; and numerous other site-specific and environmental factors.

In addition, the developer's statement that any such development could be built "as of right" is at best both disingenuous and misleading. Yes, a zoning variance might not be needed, but such a development would still be subject to Town approval and oversight.

And whether or not such a development would be economically feasible, its impact on the Town would be far less than the developer's preferred alternative, including from the perspective of traffic, infrastructure, demand on supporting services, viewshed, light and noise pollution, and hydrological, fisheries and environmental impacts.

The Town Board has retained legal counsel and planning and engineering advisors, and must know that this so-called Option A is not a real development option, and in any event would be subject to Town approval and oversight. The Town Board should tell our residents the truth now, and not allow them to be unnecessarily spooked by the developer.

#### 4. The Master Plan and Setting a Bad Precedent

The Town's Master Plan dates to 1991, but it remains valid today, as the developer has acknowledged in the Garigliano Letter. It has thoughtfully guided planning in our Town for over 30 years. It specifically states that Rural Conservation areas like the Kerilands property "are poorly suited for either high density residential or commercial development." The Kerilands development proposal is exactly that, and raises very serious questions about substantial adverse impacts to the environment, as well as to the surrounding localities and their economies.

If the Town grants this vast a deviation from its Master Plan and its planning policy principles, what will come next? This development alone would have a very substantial, adverse impact on the rural character of our community. How will the Town be able to avoid the next request for a zoning change for a massive development? If this enormous zoning change is granted, will it trigger other high density development proposals for properties elsewhere in the Town, that are inappropriate to the character of our community?

#### 5. Tax Revenues

The developer's one-sided comparison of its two development options at the July 12<sup>th</sup> meeting notably only covered hotel and sales tax revenues, which would be paid to the County, not the Town. Even if the Town were to share in those revenues, the Town Board should assess the likelihood of achieving the revenues projected by the developer. As a point of comparison, what has been the track record with actual hotel and sales tax revenues from the Resorts World and Kartrite resorts, and how do they compare to the revenues initially projected? The Resorts World resort in particular woefully underperformed its business model projections and went through a financial restructuring.

The developer's comparison of the two options did not address property tax revenues, which would be paid to the Town. That might be because the developer has not given its so-called Option A any real effort or study sufficient to determine real property values, but whatever the reason, the Town Board should fully understand what the direct tax revenue impact for the Town would be from either alternative. In fact, the Town Board should evaluate the possibility that taxes may have to increase to account for the increased infrastructure and other costs that the Town may incur as a result of the development.

## 6. Traffic and Roadway Infrastructure

The developer's preferred development proposal will significantly increase traffic, both on Route 17, and on local County and Town roads. The developer's preferred proposal will involve significantly greater traffic, including commercial truck traffic, than its straw man Option A proposal. We assume, and request that the Town confirm, that the developer will be required to provide a traffic study covering both development alternatives, and that the Town will make that study available for public review and comment.

The 2022 updated development proposal now includes significant development proposed on the eastern side of the Kerilands property, fronting on Blue Hill Road. That road is a twisting, winding, seasonal roadway, closed from December to April, and its northern half is little more than a goat track. The proposal will necessarily require massive roadway widening and other changes, to the detriment of local residents, and significantly add to ongoing roadway maintenance requirements. It also raises similar issues with respect to Hunter and Pole Roads.

The 2022 updated proposal for the west side of the property now includes an entrance road beginning near the corner of Hunter and Parksville Roads, which the developer contends will direct traffic to and from the property to the Parksville access on Route 17, via Parksville Road. The traffic study should address that assumption. In any event, the east side development will channel traffic to Hunter Road, via Claryville Road and Route 55, either through Grahamsville, or through Liberty into the Town.

## 7. Jobs and Housing

The developer is touting job creation at the resort. Given the high end nature of the development, we believe that it is very unlikely that any of the most desirable jobs will go to Town residents. As one speaker at the July 12<sup>th</sup> meeting mentioned, there is a labor shortage in the County, and a risk that the Kerilands development will siphon workers away from local businesses. The Town should consider what the track record has been with other similar developments in the County, in particular with the Resorts World and Kartrite resorts, both for local resident employment, and loss of employees by local businesses.

At the meeting, the developer mentioned a training program for new employees at the resort. What concrete assurances will the Town have concerning this and the developer's many other promises?

The 2022 updated presentation now includes on-site employee housing. While that may not exacerbate the local housing shortage, it certainly does nothing to improve the local housing situation. And it strongly suggests that the development will import a significant number of employees from outside the Town, even from outside the County.

## 8. Assisted and Healthy Living

The developer has highlighted the inclusion of a modest amount of assisted living facilities. By the developer's own explanation, that would likely go first to seniors with children residing at the development, doing nothing for Town residents.

The proposed development is targeted at wealthy visitors. Whatever its health benefits to those visiting, it will do nothing for the health of Town residents. Local residents have many other options for hiking and outdoor exercise, and certainly have no need for any incremental options that the Kerilands development proposal might provide, particularly if the developer intends to charge local residents for access to the trails and other resort amenities.

#### 9. Fire, EMS and Ambulance Services

The developer has now provided for a firehouse in its updated presentation. How does the developer intend to staff the firehouse? Will the developer depend on local volunteer firefighters or provide for paid professionals? Will the developer provide for ongoing funding for the firehouse and its staffing?

The developer has not addressed the increased burden on local EMS and ambulance services. The Town should obtain and make publicly available additional objective, detailed information on this issue, including with respect to the need for increased resources, personnel and costs.

#### 10. Local Business and Community Impact

The initial 2021 development proposal for the “Base Tier” included the possibility of “Retail, Commercial, School, Museum, B&B and other “Village” Use” that would be “Intense and Compact”. That sort of development would be likely to adversely impact efforts to improve the business districts in Gramhamsville and other adjacent localities, and divert potential new retail traffic away from those communities. While the 2022 updated presentation appears to have dialed that aspect back to “Limited Retail”, few specifics are provided. It seems likely that, at best, the resort area development will be self contained, provide few if any spillover economic benefits to surrounding areas, and potentially sap business improvement efforts in surrounding localities.

By way of comparison, the Resorts World and Kartrite resorts do not appear to have had any visible positive impact on downtown Monticello.

#### 11. School District Impacts

The developer contends that pandemic related trends toward work from home will continue, with the wealthy from downstate willing to purchase high end homes in Kerilands, and live there much of the time. If so, then contrary to the developer’s assertions, there will likely be increased student attendance at Tri-Valley schools. And the resort employees housed on-site will certainly send their children to our local schools. The Town should assess the actual impacts on school resources and school taxes that would result from the development, and not rely on unsupported, self-serving assertions by the developer.

#### 12. Developer Risk; Development Business Model Risk

The developer places great emphasis on the positive aspects of its vision for Kerilands. We believe that vision is antithetical to the rural character of our Town, and to the policies and principles of the Town’s

Master Plan. But even if some others were to find that vision attractive, what concrete assurances would the Town have that this vision, and only this vision, will be the basis for the development?

What safeguards will be in place to ensure that the Town will not be adversely affected if the development is not successful and winds up in bankruptcy or a restructuring, like Resorts World Catskills, or the YO1 Health Resort?

How does the developer intend to finance the Kerilands development? Is there a possible scenario in which the banks or other financing sources wind up in control of the Kerilands property, such as if the development is not successful and does not meet its business model projections, and the financing sources take control?

Will the arrangements with the Six Senses resort business be made available and subject to Town review?

### 13. Escrow Agreement

The escrow agreement that the Town has entered into with the developer is another document that has not been made available to Town residents for review. While the escrow is required to be replenished, the \$25,000 escrow fund amount should have been far larger. If the Kerilands project proceeds, the Town should have the assistance of the best available advisors and consultants, and the developer should timely pay for all of the Town's expenses as they are incurred, without any escrow fund bottleneck.

### 14. Conservation and Access Easements

As several speakers at the July 12<sup>th</sup> meeting stated, the developer should be required to place a legally enforceable conservation easement on the approximately 75% of the property that the developer says will not be developed, before any zoning change is made. The terms of that conservation easement, including the identity of the holder of the easement, should be made publicly available for Town resident review and comment, before it is entered into. If the easement holder is not the Town, the easement should provide that the Town is an intended third party beneficiary, and that the easement can't be changed or terminated without the Town's consent.

Separately, the Town should have a legally enforceable public access easement for the conservation areas, including rights to use the property's internal roads and parking for access.

### 15. Project Process and Sequencing

The developer's presentations appear to contemplate a process by which zoning amendments come before subdivision and site plan documents. The Town's own process review presentation more clearly pushes the zoning decision back in the timeline, but it is not clear from that presentation exactly when the decision is made and what conditions the Town can impose on its approval. We believe that – assuming that the Town is willing to consider the proposal at all – the Town should not make any zoning changes before it has received and approved complete, definitive subdivision and site plan

documents, together with final environmental and traffic studies and all necessary permits, or that any zoning change should be conditioned on that receipt and approval. If for any reason that is not possible, the Town should clearly and publicly explain to Town residents what issues and risks will be involved in agreeing to make zoning changes before the end of the process.

In particular, the proposed sewage treatment plant and discharge of treated waste water into Fir Brook will require a SPDES permit from the Department of Environmental Conservation (DEC). There is a substantial likelihood that the DEC will not grant such a permit, given the environmentally sensitive area in question and the massive treated effluent outflow that would be involved – an estimated 150,000 gallons per day according to the developer. Will the Town be able to withhold a zoning change until that time, or condition the zoning change on receipt of that permit, or will the Town then have lost its leverage over how the Kerilands property is actually developed?

#### 16. Construction Risk and Supervision

If the Kerilands development were to proceed, highly competent review of the site plans and oversight of the actual buildout in compliance with those plans will be critical. The Town's building and code enforcement personnel are appropriate and well-suited to a small, rural town, but will inevitably be overwhelmed overseeing a development as massive and outsized as Kerilands. There will be a substantial risk that "as built" will vary from approved plans, in materially negative ways. The Town will need to retain experienced outside consultants to assist in overseeing any development, and the developer should bear that expense, as well as future expenses of overseeing any improvements and additions.

#### 17. Viewshed, Noise and Light Pollution

The Kerilands development proposal contemplates a massive, high density development in an isolated and very rural area. How tall will the hotel or other improvements be? By way of comparison, the Resorts World high rise skyscraper is highly visible, modernistic, and completely out of place in a rural landscape. Does the Town have or will it impose meaningful height restrictions on buildings and other improvements?

The Kerilands property is in a dead zone for mobile phone coverage. At a high end development of this kind, visitors and residents will expect first class mobile phone and internet reception. A cell tower will negatively impact the viewshed.

The developer's preferred proposal will greatly increase noise in a quiet and serene landscape, and light pollution in the night time sky in the area, particularly in comparison to its straw man Option A. The Town under SEQRA will be required to substantially mitigate these issues.

Will the Town permit the resort to hold outdoor events such as concerts or fireworks? What restrictions will the Town impose on noise from such events? What will be the ongoing costs of policing its restrictions? Will the Town be able to impose fines for noise ordinance violations? These are some of the issues that much more densely populated municipalities with much greater development have to



grapple with. Until this Kerilands proposal, our Town has not been burdened with dealing with the consequences of massive development.

## 18. Hydrological Impacts

The proposed development's usage of water from the underlying aquifer will be very substantial. The developer anticipates an effluent outflow of 150,000 gallons per day, which will necessarily involve a water withdrawal from the aquifer of at least that amount. In addition, other water usage, such as for irrigation and water features, and loss through evaporation and leakage, will result in substantially increased aquifer demand over the wastewater figure. The Town should require the developer to do a detailed study, which should assess factors such as the developer's total anticipated daily water usage and corresponding aquifer withdrawal.

The developer has applied for and obtained permits to drill four test water wells, of which one has been completed thus far. That test well was drilled as a six-inch diameter boring down to 705 feet, with an estimated yield of approximately 65 gallons a minute, or approximately 93,600 gallons per day. Even if yields from the other test wells are substantially higher, the developer's data thus far strongly suggests that numerous wells would be required to supply the development, having a detrimental impact on the underlying aquifer and the water supply to the surrounding areas.

The Garigliano Letter briefly discusses the permitting and design of the development's water supply system, including the importance of "predicting safe water well yields and the future behavior of aquifer systems". However, the developer has nowhere addressed the broader hydrological impacts of the development on the environment and the community. How large is the aquifer in question, and what geographical area relies on it for water? Local residents depend on well water and surface water for their water supplies. Their access to water will potentially be adversely affected by the development's demands on the aquifer, particularly given that the development's wells will undoubtedly be far deeper than those of others. And the development's water demands may well have devastating impacts on springs, brooks, waterfalls and streams, including Fir Brook, the Willowemoc and the Neversink River, and the ecosystems that they support.

A specific example is the Willowemoc Spring, located at GPS coordinates 41.918978,-74.664817, on the south side of Willowemoc Road just north of the triangle formed by Willowemoc, Parksville and Hunter Road. The Willowemoc Spring is an important source of water for local residents and summer visitors, particularly as an emergency water source for residents who do not have a backup generator to power their well pump during power outages. The developer's proposed entry road will run very close to the spring. A development of this size will permanently alter this spring's quality and flow.

We expect, and request that the Town confirm, that the Town will require the developer to do a detailed, comprehensive hydrological study that addresses the broader hydrological impacts of the development, and that the Town will make that study available for public review and comment.

## 19. Destructive Impact on Adjacent Fir Brook and the Delaware River Watershed

The Kerilands property is immediately adjacent to Fir Brook, a completely pristine brook trout fly fishing stream that is at the headwaters of the Delaware River watershed. The developer proposes to build a sewage treatment plant and release treated wastewater into Fir Brook, at an anticipated flow rate of approximately 150,000 gallons per day. The Garigliano Letter touts the “Membrane Bioreactor” technology that the developer proposes to use to achieve the “highest possible standards” of effluent quality. But even that level of wastewater treatment will leave significant levels of contaminants in the treated effluent, such as hormones and chemicals, which will affect water quality, particularly given the extraordinarily high daily effluent flows into Fir Brook in comparison to current, unaffected water flows. Brook trout are very sensitive to changes in their environment. The wastewater released into Fir Brook, no matter how treated, will inevitably result in the complete destruction of the brook trout population and their native Fir Brook habitat. The downstream Willowemoc and its fisheries will be similarly and substantially adversely affected as well.

The introduction of warm water into a stream system has a significant adverse effect on aquatic life. Wastewater discharge and surface parking areas are both significant sources of warm water. The developer anticipates extraordinarily high levels of wastewater discharge into Fir Brook. In addition, the level of development proposed for Kerilands will involve many acres of roadway and parking surfaces, which will also increase warm water runoff. And, in addition to warm water, surface water runoff, particularly from asphalt surfaces, inevitably introduces contaminants into adjacent streams, further imperiling Fir Brook and the Willowemoc.

The combined Willowemoc and Beaverkill stream system, of which Fir Brook is a part, is the only major Delaware River watershed tributary without a dam. Its waters flow uninterrupted to the Atlantic Ocean. There are many aquatic species, other than trout, that are dependent on the health of Fir Brook.

## 20. The Third Option: Public Conservation in Perpetuity

To date, discussion of Kerilands has revolved around impacts to the built environment while there has been little discussion of the immense destruction to surrounding natural areas, even beyond the site itself. As the developer himself has pointed out, the property is a “key link” between the “forever wild” forest to the north and west and the City of New York’s lands to the south and east. Water issues have been mentioned, but the loss of a connected habitat for a robust wildlife population has not.

A way to address this would be to insist that the developer include a third option: preservation of the entire parcel for inclusion into some combination of land trust, State, and City ownership with adequate provisions for public access. The net positive benefit of this arrangement to our community would be preservation of our current low property taxes, as the City and State would be required to continue to pay them. A preserved forest does not incur costs for infrastructure such as schools, roads, etc. and provides natural infrastructure such as climate control, flood control and uptake of pollutants, all tangible benefits that we take for granted at our peril.

\* \* \* \* \*

The proposed development, were it to proceed, would be the single largest change in the character of our Town since the reservoirs were built and New York City became the Town's largest landowner. The Town then could do little in the face of the exercise of eminent domain. Here, by contrast, the Town can choose its own destiny. Approving a massive zoning change to permit the Kerilands development would be an open invitation to others to press for zoning changes for other large scale developments vastly out of step with the character of the Town and the Town's Master Plan, resulting in the destruction of the Town's quality of life.

We believe that the many issues raised by the Kerilands proposal are a massively negative factor that the Town should find dispositive in considering the proposal.

Some county political and business interests have spoken out in favor of the Kerilands development proposal, but they do not represent the interests of the residents of the Town of Neversink. The Neversink Town Board was elected to represent these residents and their interests. The proposed Kerilands development proposal is not in the interests of the Town and its residents, and will lead to profoundly negative changes in the Town's character and quality of life.

We recognize the very difficult task before the Town Board in assessing and responding appropriately to this unprecedented proposal for an extraordinarily massive, high density residential and commercial development in our rural and bucolic Town. We ask that the Town Board continue to recognize and place at the forefront its responsibilities to its Town constituents; to provide a full and current flow of information to Town residents on the Town's website; and to present a proactive and balanced perspective on the Kerilands property options to the public, and not allow the developer's one-sided and misleading presentations to the public to go unanswered.

We also request that the Town Board consider and respond to the numerous questions, issues and concerns that we have raised in this letter. We look forward to hearing from you.

In conclusion, we would like to thank the Town Board for its work and efforts on our collective behalf.

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We request that this letter be posted to the Kerilands folder on the Town's website, as the Town has done with the other letters that the Town has received with respect to the Kerilands development proposal.

Respectfully submitted,

Concerned Citizens of Neversink

|                          |                          |                       |
|--------------------------|--------------------------|-----------------------|
| By: David Brittenham     | Henry King               | Cheryl Sternberg      |
| Lucy Bernier             | Rosann King              | Tom Sternberg         |
| Mer Boel                 | Deirdre Lord             | Carolyn Summers       |
| Felicity Brock Kelcourse | Jane McGrath             | Francine Vidal        |
| Clifford Carey           | David Munford            | Kathy Watson          |
| Janet Carey              | Alice Pantaleoni         | Larry Watson          |
| Paul Cates               | David Pantaleoni         | Catherine Weiss       |
| Brian Culhane            | Elizabeth Téa Pantaleoni | Alexander Wright      |
| Lynn Desmond             | Richard Pantaleoni       | Anson Wright          |
| Derek Gullino            | Bruce Pollock            | Leonard (Toby) Wright |
| Andrew Hewitt            | Monica Pollock           | Blue Hill LLC         |
| Susan Hewitt             | Barbara Restaino         | Catskill Holdings LLC |
| Samuel Huber             | Peter Schoenburg         | Winton Waters, Inc.   |
|                          | Victoria Schoenburg      |                       |

#### Attachments

- Ex. A: Letter, dated April 21, 2022, from Garigliano Law Offices, LLP to the Town of Neversink (without enclosures)
- Ex. B: Letter, dated May 13, 2021, from Christopher Mathews, Town Supervisor, to Barbara Garigliano, Esq. (without attachment)
- Ex. C: Correspondence and Documentation from the Town of Neversink Building Department, relating to test water well drilling
- Ex. D: Agreement, dated April 25, 2022 and entitled "AGREEMENT FOR THE PAYMENT OF TOWN OF NEVERSINK COSTS AND EXPENSES IN CONNECTION WITH THE PROPOSED KERILANDS DEVELOPMENT," between the Town of Neversink and Keriland Inc.

cc: Planning Board, Town of Neversink  
David Brooks, Town Supervisor, Town of Denning  
Daniel Ruzow, Whiteman, Osterman & Hanna LLP  
Gregory Faucher, Whiteman, Osterman & Hanna LLP  
Sullivan County Democrat  
Manor Ink  
The River Reporter  
Times Herald-Record  
Times Union

Exhibit A

GARIGLIANO LAW OFFICES, LLP  
449 BROADWAY - PO DRAWER 1069  
MONTICELLO, NEW YORK 12701-1069

WALTER F. GARIGLIANO  
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BARBARA A. GARIGLIANO

PHONE (845) 796-1010  
-----  
FAX (845) 796-1040

April 21, 2022

Town of Neversink  
273 Main Street, P.O. Box 307  
Grahamsville, New York 12740  
Attn: Christopher Mathews, Supervisor

*Via Email*

Re: Keriland Inc. – Kerilands Project  
Our File No. 7458.000

Dear Supervisor Mathews:

This letter will serve as a status update on the Kerilands Project and will provide, to the extent available, the information requested by your letter of May 13, 2021. Before responding to your information requests, please allow me to summarize what has been accomplished in the past year.

A team of engineering and project professionals has been engaged. In addition to Garigliano Law Offices, LLP, with whom you are familiar, the following project team is currently working to make Kerilands a vibrant place to live, visit or work.

Robert Gorton and Raymond Del Savio have joined Jonathan Leitersdorf's organization to provide Project Management for the Kerilands Project and assist in the coordination efforts with the professional design team. Robert and Ray were the founding members of Gorton & Partners ("GP") - a Development/Project Management firm. For over twenty-five years GP provided management expertise to real estate developers and institutional owners for millions of square feet on complex projects throughout the tri-state area. These projects included various residential projects for Jonathan as well as other institutional, hospitality, and retail/commercial developments. In 2016, GP was acquired by an international real estate advisory firm.

Hart Howerton has been engaged to provide site planning, architectural and interior design services. Walter and I have had the honor of working with Hart Howerton on other projects. Hart Howerton provides without a doubt the highest standard of project master planning services. Jim Tinson and Nicholas Baran are working on the Project team.

<https://www.harthowerton.com>

We fully expect that this Project will require preparation of an Environmental Impact Statement (“EIS”). Sterling Environmental Engineering, P.C. (“Sterling”) has been engaged to prepare an EIS with input from the various subject matter experts working on the Kerilands Project team. Mark Millsbaugh, P.E. will be the lead engineer drafting the EIS.

Sterling has also been engaged to perform geotechnical analysis of the site. Thomas Johnson from Sterling will be the person responsible for this analysis and determining the extent of necessary borings and coordination with drilling contractors and testing laboratories.

<https://www.sterlingenvironmental.com>

Creighton Manning Engineering, LLP (“CM”) was engaged to conduct a traffic study. Kenneth Wersted was primarily responsible for the traffic analysis. In addition, CM has been engaged to design an internal resort access road (more detailed in 2(a) below) (“Resort Entry Road”). Chris Geroux from CM is currently the lead designer of the Resort Entry Road and will also design internal circulation roads.

<https://cmllp.com>

Continental Placer Inc. (“CP”) has been engaged to design the water supply for the Project. William J. Miller, III has been assigned by CP to the Project team. One test well was drilled near the bottom of the ski slopes cleared in the 1960s, which the driller estimates to yield approximately 65 gallons per minute. Additional wells will need to be drilled and tested once a final fully built-out Project design is completed to allow computation of water supply needs.

<https://www.continentalplacer.com>

Delaware Engineering, D.P.C. (“DE”) has been engaged to design the wastewater treatment plant (“WWTP”) for the development. John Brust, Principal of DE is presently the Project team representative with the expectation of design services being transitioned to others at DE once a conceptual design and WWTP sizing is determined.

<https://delawareengineering.com>

Ecological Analysis, LLC (“Ecological”) has been engaged to determine the extent and location of wetlands. James A. Bates will also coordinate studies of possible threatened species that may be present at the Project site.

<https://www.4ecological.com>

Packer Associates, Inc. (“Packer Associates”)/ Gary Packer, P.L.S. and Michael Packer, P.L.S. have been hired for survey work. Michael Packer is actively engaged in surveying the Project site. The survey will be handled in phases with work already completed in some areas of concern. Packer Associates will also provide ground control and rotational control of the aerial topographic study already completed.

The Project team has been meeting periodically over the past year to determine optimal Project scale and decide what structures, uses and activities are necessary to the success of Kerilands. To understand how this spectacular site fits into the larger context of the Catskills, please see the maps attached captioned SITE CONTEXT. The maps that follow provide information on elevation, hydrology and slope.

In addition to assembling a Project team, a great deal of progress has been made in identifying those portions of the site that will be developed. At the April 26, 2021 presentation to the Town Board, we previewed a preliminary solar study that was undertaken to identify the areas of this mountainous property with the most available sunlight. These identified areas are the primary areas where development activities other than the Project's outdoor winter recreational components will be located. The four (4) maps attached captioned SOLAR STUDY depict the areas of maximum sun exposure identified. The maps also show the significant variation in average sun exposure over various parts of the site.

The Project development areas have been carefully selected and all natural features or impediments have also been considered. For example, to the extent possible (except for the Project's outdoor winter recreation areas), the steep slopes have been avoided.

The areas presently considered for development comprise only 715 acres of the 3,150-acre property, with the rest of the property remaining in its current undeveloped state. For purposes of the responses that follow, I will refer to those areas of the site proposed to be developed as the "Development Areas".

As for your specific questions:

1. a. Topography with a smaller contour interval (10 or 20 feet).  
The entire 3,150-acre site has been flown and aerial topography tied to multiple ground control locations throughout the area is available at 2' contour levels. This file will be provided to the Town's review professionals.
- b. Possible regulatory constraints such as regulated wetlands and watercourses, steep slopes, constrained soils, bedrock, etc.
  - (i) Wetlands.  
Ecological has performed wetland and watercourse recognition. Only the wetlands in Development Areas of the site will be further studied and delineated with the expectation that substantially all development activity will avoid any direct or indirect impact on wetlands.
  - (ii) Watercourses.  
Watercourses have been identified from publicly available USGS and GIS mapping sources. Watercourses in the Development Area will be further explored and any watercourses to be crossed by roads or trails will be subject to DEC stream crossing permits. Until all interior circulation roads are fully planned, the permit process for stream crossings will be deferred. None of the interior watercourses are significant in terms of flow except Fir Brook. The Development Area north of Fir Brook will be accessed by a road and bridge over the brook, again subject to usual DEC permits for such structures.
  - (iii) Steep Slopes.  
Steep slopes were preliminary identified by publicly available resources and confirmed by the aerial topography. At points where topography is critical to design, Packer Associates and CM have made field inspections. With less than 25% of the site under development, it is anticipated that there will be only a



small impact on steep slopes. At present, we expect the largest impact on steep slopes to be the trail network for cross-country skiing, hiking, snowshoeing and mountain biking. A map attached captioned TRAIL SYSTEM, shows the anticipated trail system.

(iv) Constrained soils and bedrock.

Sterling will be performing necessary geotechnical analysis throughout the Development Areas, Resort Entry Road location and trail network. One currently planned design feature for the Project is the development of two “quarries” which will provide construction aggregate on a most local basis and following the construction will remain as water features adding to the diversity and interest of the site.

Please see the maps attached captioned SURFACE GEOLOGY, and SOIL for an overview of site conditions.

In addition to the analysis throughout the Development Areas, some level of geotechnical analysis and harvesting of rock core samples will occur outside the Development Areas to 1) provide information for the proper design of the Resort Entry Road; and 2) attempt to locate aggregate, sand and gravel on the site to avoid the cost and carbon footprint associated with trucking these materials a considerable distance. There are no active mine sites near the property.

**c. Potential development areas indicated – with acreage of each area.**

The map attached captioned DEVELOPMENT AREAS shows the extent of the presently planned development areas. This may change as the Project design advances and areas may shift if unknown constraints require modification of strategies.

The Village Farm Development Area north of the ridge line including the hotel, assisted living facility, retail, vineyard, attached residential and single family residential is approximately 440 acres in size.

The Support Cluster Development Area on the site north of the ridgeline including the water supply building, WWTP, firehouse and community hall and workforce housing is approximately 10 acres in size.

The Fir Brook Camp Development Area north of Fir Brook is approximately 20 acres in size.

The Farm at Blue Hill Development Area including the organic farm, large residential lots and the Kerilands Adventure Center is approximately 220 acres in size.

The Resort Entry Road and Saddle Camp Development Area is approximately 25 acres in size.

All Development Areas aggregate to 715 acres which is less than 25% of the site.

**2. Concept Plan on the same base map as above, with indication of:**

**a. Access route to each development area.**

No part of the planning process to date has received the level of focus as access. That is the case as to both analysis of existing public roads to the site, the design of the Resort Entry Road and circulation roads within the site.

CM performed an existing road condition and capacity analysis of the County and Town Roads proximate to the site. It is anticipated that most visitors to Kerilands will travel to the area on Route 17. Traffic from the south and east will exit at Parksville and travel to the site via County Roads 85 and 84. Based on population distribution, the target market for promotion of Kerilands, and arrival of visitors from overseas, it is expected that the substantial majority of traffic will arrive via this route.

Visitors travelling from the west or north will travel to Kerilands by exiting Route 17 at Livingston Manor and travel to the Project via County Roads 81, 82 and 83 and Willowemoc Road, a Rockland and Neversink Town Road.

Access to the sites by other routes are expected to be minimal except for residents with homes in The Farm at Blue Hill Development Area or persons “day tripping” to the Kerilands Adventure Center to access the trail network.

The original sketch plan shared with the Town Board on April 26, 2021 contemplated that the primary access to the Village Farm Development Area including the hotel and most of the residential aspects of the Project would be from Pole Road. That primary access point was subsequently determined to be suboptimal. Instead, the to be constructed Resort Entry Road is contemplated to enter the site just past the terminus of County Road 84 (which ends at Hunter Road). This access point would be the start of the 12,000 linear foot Resort Entry Road that would be the route to all Project facilities constructed north of the ridge line running through the five mountain peaks on the site with the exception of the assisted living facility which would have direct access to Pole Road and those tourism structures constructed northerly of Fir Brook.

A secondary access road off the Resort Entry Road would drop down to the area at the bottom of the ski slopes. The improvements planned for this area are supportive of the development and include the water supply plant (this is where the first well was drilled), the WWTP, a firehouse and community hall and workforce housing.

After crossing the existing ski slopes, the Resort Entry Road will split. The lower fork will lead to the village area. The higher elevation fork will lead to the main hotel complex and large quarry water feature.

Internal circulation roads necessary to access the vineyard, attached residential units, single family residences and other Project components will be designed as

part of the more detailed site planning for the Village Farm, now only at the sketch plan phase.

Access to The Farm at Blue Hill Development Area will be from Blue Hill Road. Farming activities to grow organic produce for the restaurants in the hotel and village will be located on sloping fields with southerly aspect west of Blue Hill Road. The farming site will be surrounded by large single family residential lots. All residential lots will front on one or more interior roads off Blue Hill Road.

The Keriland Adventure Center will be constructed in The Farm at Blue Hill Development Area at a location not yet finally selected. Access to the Adventure Center parking lot may be directly from Blue Hill Road or from an interior road leading to the residential area.

It is anticipated that the assisted living facility will have direct access to Pole Road. This is preferred for emergency vehicle response time. Given the nature of this facility, traffic to and from the assisted living component of the Project will be minimal.

The Fir Brook Camp Development Area will be accessed by a road and bridge spanning Fir Brook.

The only other road now planned will be to connect the Village Farm on the north side of the ridge with The Farm at Blue Hill Development Area and the Adventure Center on the south side of the ridge. This road is not expected to be accessible to other than Kerilands' operated shuttle vehicles and will likely cross the ridgeline at the saddle east of the peak of Blue Hill.

- b. Number, mix and allocation/proportion/range of uses at full build-out (number/type of residential units, SF of other uses such as recreation, restaurant, hotel, amenities, parking, etc.) of each development area.

To achieve Jonathan's vision of a new sustainable community, centered around health and wellness, the Project team established a development framework by analyzing the site, its premier location within the Catskills, and its defining natural characteristics. The goal was to envision a project that both preserves and protects sensitive natural resources, while leveraging the management of those areas with compatible and complimentary land uses. Over the past two years, slope, aspect, hydrology, sun exposure, soils, and many other characteristics have been studied and paired with a program that defines five development areas; each designed to complement the overall project and organized to maximize synergies while minimizing impact on the natural environment. This is integral to the ethos of the project which aims to promote an environmentally friendly community. The five development areas and their composition include:

**Resort Entry Road & Saddle Camp:** An interior entry road brings visitors into the property near the intersection of Cooley Road and Hunter Road, following the

contours of the hillside before reaching the Village Farm to the east. Development along this road is limited to the Saddle Camp and access to the Support Function Development Area. The Saddle Camp is a 'glamping' ("boutique camping") style campsite tucked into a saddle between two ridges. It holds space for ~30 keys or camp-style accommodations and offers opportunities for nature walks, star gazing, and similar outdoor-focused soft programming.

**Support Cluster Development Area:** This area includes a fire house/ community building, the water supply facility, a wastewater treatment plant, and approximately 100 beds of workforce housing.

**Village Farm Development Area:** The largest and most diverse development within the Project, the Village Farm contains a balanced mix of residential, commercial, and hospitality program connected to the larger site through 'green lungs' or preserved open space woven throughout the development framework. These coalesce at one of the lowest, flattest, and most sun-filled parts of the property, the village's organic farm. Directly adjacent to the farm would be a concentrated hub of ~180 multifamily units, a 50-bedroom senior living community, and approximately 20,000-25,000 SF of commercial space including a Field House which could be used for weekend markets, gatherings, and other community events. Following the historic development of hillside communities, single family homes step up into the hills above the Village Farm, increasing in lot and home size as the terrain rises. In total there are ~56 single family lots planned for this area, designed to fit into the topography and limit clearing and site impact. No development is planned for the ridges which are to be protected and incorporated into the Project's extensive trail network.

Hospitality offerings in the Village Farm Development Area include a 30 key hotel at the base of the proposed vineyard and a 60 key hotel with 20 hotel cabins sitting below the ridgeline. Both hotels are positioned to take advantage of the views to the north and the undeveloped open space along the ridgeline to the south, again, protecting the forested ridges. There would be limited retail associated with the hospitality program including spa, mountain outfitters, and dining.

**Fir Brook Camp Development Area:** North of Pole Road is a 70-acre piece of low-lying land that includes a portion of the site's designated wetlands. As such, development here is sensitive to the environment and limited to a series of hospitality offerings designed as 'fish camps', or yurt and tented style camp sites, clustered in one of the natural upland clearings. In total, the 30 keys would be a small outpost of the larger hospitality program. These cater to the angling-focused recreational traveler and those wishing to learn more about the sport in a region known to be one of the premier fly-fishing destinations in the world.

**Farm at Blue Hill and Kerilands Adventure Center:** Located on the south side of the ridge that defines the property, on old farmland currently sitting fallow just adject to Blue Hill Road, is an area reserved for 20 single family homes concentrated around an organic farm and the Kerilands Adventure Center. The

Adventure Center serves both the local community and broader visitor appeal with four-season recreational offerings including cross-country skiing, hiking, mountain biking, snow shoeing and other activities that make use of the extensive on-property trail network.

- c. Indication of proposed concept for water supply and sanitary waste disposal for the uses.

Water Supply.

Regulatory Context

In order to operate a public water supply system, permissions need to be obtained from the New York State Department of Health (“DOH”). Typically, the DOH requires a 72-hour pumping test and a Part V laboratory analysis for any public water supply bedrock well. CP will coordinate with the DOH to ensure their requirements are achieved to get the water system approved for this Project.

Design Context

The interaction between groundwater movement and geology can be quite complex, predicting safe water well yields and the future behavior of aquifer systems is essential for the development of any public water supply. CP’s hydrogeologists have the expertise to discover and test new water sources.

To date, one test well was drilled near the bottom of the ski slopes which the driller estimates to yield approximately 65 gallons per minute. Additional wells will need to be drilled and tested once a final fully built-out Project design is available to allow computation of water supply needs. CP will supervise the installation of water wells and the performance of a 72-hour pumping test on the well(s) to determine the long-term safe yield of the wells.

Wastewater:

Regulatory Context

With respect to the handling of wastewater generated by site activities, a number of federal and state statutes govern the collection, treatment and discharge of sewage, each of which will apply as appropriate to this Project. The wastewater collection and treatment systems will be designed and permitted in conformance with regulations and standards including but not limited to the Federal Clean Water Act and State Environmental Conservation Law as well as New York State Department of Environmental Conservation (“NYSDEC”) Design Standards (2014) and Recommended Standards for Wastewater Facilities (2014) and TR-16 as published by NEIWPCC.

A State Pollutant Discharge Elimination System (“SPDES”) permit will be obtained as required by 6 NYCRR Part 750.1 prior to the initiation of construction. The issuance of the SPDES permit will be coordinated by the NYSDEC with the Delaware River Basin Commission (“DRBC”) as appropriate. In addition, final engineering plans will be reviewed and approved by NYSDEC prior to construction as required by 6 NYCRR Part 750.2. All aspects

of wastewater collection and treatment will be subject to review under the State Environmental Quality Review Act ("SEQRA"). As a result, the Town can be confident that the handling of wastewater generated by the site activities will be reviewed, approved and permitted in such a manner as to mitigate negative effects on the environment.

#### Wastewater Treatment Process

While programming elements for the overall Project have not been definitely determined at this time, a calculation of potential wastewater generation suggests that a wastewater treatment process will be required that can accommodate a sanitary flow of approximately 150,000 gallons per day ("GPD").

Due to varying terrain the wastewater from residences and amenities within the proposed development will be collected and conveyed to the wastewater treatment plant via a combination of gravity sewers, grinder pumps, pump stations, and force mains. Treated effluent from the WWTP will be discharged to Fir Brook.

The treatment system at the centralized WWTP has not been definitively selected at this time but it is likely to be a Membrane Bioreactor ("MBR") process which utilizes a physical barrier...semi-permeable membranes...to ensure the highest level of treatment possible.

The MBR technology, in concert with other conventional treatment processes, provides a tertiary level of wastewater treatment. This overall process is utilized throughout the United States in numerous highly regulated watersheds where the quality of effluent must achieve the highest possible standards.

MBR's are utilized throughout the New York City drinking water watershed as well as within the DRBC jurisdiction and other areas of the Catskills. Existing MBR treatment plants are also currently operational in Sullivan County, in the Towns of Fallsburg, Thompson, and Liberty.

There are programming elements of this Project which are distant from the area to be served by the centralized wastewater treatment system. The Farm at Blue Hill and Kerilands Adventure Center are both situated on the south side of the ridge that defines the property. This area is reserved for 20 single family homes concentrated around an organic farm and the Kerilands Adventure Center.

Wastewater from these Project elements will either be pumped through a force main to the centralized wastewater system discussed above or will be treated close to each point of generation, either with individual septic systems or a more centralized, below ground, "community" septic system. The decision regarding the treatment approach will be made based upon available land area and the depth to bedrock.

This specific land area lies within the New York City Department of Environmental Protection (“NYCDEP”) West-of-Hudson Drinking Water Watershed and as such, treatment system design plans will be reviewed by NYCDEP engineering staff in coordination with NYSDEC.

**3. Narrative that addresses, generally:**

**a. Consistency of the Project with the Comprehensive Plan (or, proposal to update the Comp Plan, if that is the case)**

Interestingly, the proposed development of Kerilands is materially compatible with the Town’s Master Plan despite the fact that the Master Plan was adopted in 1991.

First, some context. In 1991, George H.W. Bush was our president. Iraq invaded Kuwait leading to Operation Desert Storm. The recent breakup of the Soviet Union led to the independence of countries with names we struggle to pronounce and the independence of a country we hear all too much about of late, being the Ukraine. The internet was made available for unrestricted use. The number of interconnected computers reached 1,000,000. The Dow topped 3,000 for the first time. A gallon of gas cost \$1.12. The Master Plan was “typed” into a Wang word processor, the predecessor to the IBM PC.

So much has changed. Notwithstanding the changes, the goals of the Master Plan are still relevant 31 years later. The Introductory paragraph of the Master Plan reads as follows:

“The goals of this Plan are to preserve and protect natural resources within the Town, to avoid conflict between incompatible land uses, and to establish policies and guidelines for the future development of the Town. This Plan envisions rural, low-density growth within the Town, and provides for a balance of different land use types. The Plan takes into account the range of physical, environmental, and other factors which limit land use, and makes recommendations for environmentally sound land use practices in future development.”

The Master Plan’s Statement of Objectives are as follows:

“The objectives of this Plan are:

- (1) to protect the health, safety, and welfare of the townspeople
- (2) to encourage new development to locate consistent with the needs of environmentally sensitive areas such as wetlands, floodplains, steep slopes and areas with poor soils
- (3) to provide for the needs of a balanced mix of land use types within the Town
- (4) to encourage the preservation of active farmland within the Town
- (5) to provide for commercial and industrial development where it is readily accessible to existing major connector roads, and to limit its development on secondary roads

- (6) to achieve the goals of this Plan with minimal governmental expense and involvement”

The Catskills tourism businesses operating in 1981 have almost completely disappeared. The famous Borsche Belt hotels have closed. The only major hotel then operational that remains in business today is the Villa Roma, which has struggled to survive and is under contract to be sold. Yet, despite the collapse of the Borsche Belt tourism industry, the tourism in the Catskills is flourishing. Newly built or redeveloped smaller inns and short-term rentals have become important drivers of local tourism. Newly developed in-county tourism properties include the Arnold House, the DeBruce, the North Branch Inn, Nine River Road, Kenoza Hall, the Eldred Preserve and Callicoon Hills, to name a few.

The proposed development of a Six Senses Hotel and the Kerilands Adventure Center would build on and positively influence this successful trend. Six Senses Hotels and Resorts Spas, founded in 1995, focuses on developing hospitality destinations in some of the most beautiful locations throughout the world focused on responsible practices in top-tier hospitality.

The Master Plan’s objectives are generally aligned with Jonathan Leitersdorf’s vision to develop Kerilands.

The Master Plan’s objectives are achieved as follows:

- (1) The health, safety and welfare to the townspeople will be enhanced by the addition of new healthy living opportunities, the development of a significant organic farm, and the recreation opportunities open to local use at the Kerilands Adventure Center. Recent reports of Sullivan County being the second most unhealthy county in New York State can only be reversed by improvements in diet and exercise. This Project would provide year-round recreation opportunities with offerings of cross-country skiing, snowshoeing, hiking and mountain biking open to the general public.
- (2) The development of Kerilands is consistent with the objective of avoiding environmentally sensitive areas. Areas of maximum sunlight have been identified and wetlands, steep slopes and areas with poor soil have been avoided. Every effort has been made to develop a “light on the land” environmentally friendly community.
- (3) This Project would greatly enhance the goal of a balanced mix of land use types within the Town. This objective extends well beyond the Town’s or the County’s borders to the Catskill region. Six Senses is a top tier international brand. Bringing Six Senses to the Catskills would represent the next level up in the Catskills return to its former internationally relevant tourism stature. The mix of land uses described in 2(b) above provides for a balance of tourism, residential, healthy living, recreational, agricultural and supportive land uses.
- (4) The redevelopment of an organic farm on land long fallow along Blue Hill Road goes beyond preservation of farmland. This effort will create new



- farmland which has had no active agricultural use in scores of years.
- (5) The traffic study and decision to provide access via a newly constructed Resort Entry Road allows a connection to the nearest four-lane highway over County Roads except for the last few hundred feet of the journey. The only Town Road involved in the access route to be used by a majority of traffic to the site is de minimus in length.
  - (6) No governmental expense is contemplated. The new residential properties will be primarily occupied on a seasonal or vacation basis bringing in new tax ratables with minimal additional demands on local services or the local education system.

Jonathan Leitersdorf's family has owned Kerilands for 60 years. The property is 3,150 acres in size and has miles of frontage on Pole Road, Hunter Road and Blue Hill Road. Scores (or perhaps hundreds) of residential lots could be developed along existing or newly constructed public roads. Such a development strategy, although legally authorized by the Town's Zoning Law, would create the exact type of development the Master Plan seeks to avoid. Instead, Kerilands would involve a village style development area with appropriate access and self-contained services.

Transportation strategy is consistent with the Master Plan, which provides:

"A substantial number of Town roads are of marginal quality, marginally surfaced or unsurfaced roads, some of which are designated as Seasonal Limited Use Highways. The road conditions which predominate throughout much of the Town severely limit the amount and type of development which could take place without significant and costly improvements being made. Any significant development which takes place in the future must therefore consider the condition and carrying capacity of affected roads."

As mentioned above, transportation experts expect a substantial majority of traffic to the site will be via a County Road designed and built to accommodate the traffic levels to be generated by Kerilands with only a short Town Road connection to the Resort Entry Road that will provide access to most of the property. The Project design very much considers the condition and carrying capacity of affected roads and roads impacted can carry the traffic to be generated without material change or upgrades.

Water and wastewater facilities would be internally developed and funded by this property alone. Centralizing water and sewer infrastructure is surely more environmentally friendly than the alternative of scattered large lots served by on-site wells and septic systems. It is recognized that the Town Board has legislative control over water and sewer district formation. It is anticipated that the overall benefits of the Project will be such that the Town will cooperate in formation of any required districts. No property other than Kerilands will be impacted or included in these districts.

Local community facilities and cultural resources will be markedly enhanced. Fire protection to the Willowemoc hamlet is currently available by contract between a Town Fire Protection District and the Livingston Manor Fire Department, over 15 miles away. Recognizing the need to reduce response times and enhance protection, it is contemplated that a new firehouse will be constructed to serve not only Kerilands but the Willowemoc community in general. The firehouse will include a community hall, a resource not now available in Willowemoc.

Cultural resources will be present throughout the development. The arts, music events, exercise and yoga classes and the outdoor recreation opportunities at the Adventure Center will all greatly enhance local cultural resources.

The development, as planned, will preserve open space. Only 715 acres representing less than 25% of the 3,150 acre-parcel are initially proposed for development. The alternative of large residential lots along the miles of public road frontage is far less desirable.

Environmental conditions will be fully respected. Soil types will be more precisely identified than from the information available from publicly mapped resources. The Development Areas with the exception of the trails for recreation activities avoid the steep slopes on the property. Wetlands and flood plains will be avoided. Stream crossings will occur by an environmentally sensitive design. Bedrock will be studied by necessary geotechnical analysis. Hydrology will not be negatively impacted and storm drainage facility construction will control storm runoff better than the ambient conditions at the site.

The Project will be developed utilizing relevant energy conservation techniques. The Six Senses Hotel recently developed by Mr. Leitersdorf in Ibiza has received one of the highest EU environmental rating and the same conservation minded design will occur at Kerilands.

The Master Plan recognizes the value of clustering and provides:

“The typical method for encouraging energy conservation in Master Plans is to encourage the clustering of dwelling units. This reduces energy consumption by reduced road construction and use, and reduced loss of heat through attached or more closely spaced dwelling units. However, it is not always possible to cluster units without the provision of central water and sewer systems which are not widely available nor planned within the Town.”

Since centralized water and sewer systems are planned for Kerilands, the “typical method” of encouraging energy conservation will be possible.

The economic base of the Town, County and Catskills may be the most notable area of difference between 1991 and today. The ability to “connect” has markedly

changed the way we work. The days of part time residents arriving late Friday and returning to urban areas to the south on Sunday evening seem to be a thing of the past. The 5-days there and 2-days here is no longer the norm.

Development of Kerilands will have both a significant direct and indirect impact on the local and regional economy. Direct impacts will be scores of new jobs associated with a 5-star hotel, the employees at the Adventure Center and the service and support jobs throughout the site.

Tourism destinations are pure importers of money. Visitors travel to a destination with money from outside our area and spend the money locally. The indirect impact of importing tourism dollars is the purchase of goods and services locally and creation of local payroll. And, local payroll gets spent by the wage earners, usually locally.

Substantially all "sales" of goods and services by Kerilands will be subject to state and local sales tax. The collection of the local share will be significant. In addition to sales tax, the "Sullivan County Hotel and Motel Occupancy Tax Law" imposes a 5% tax upon the rent for occupancy of a lodging facility. This "bed tax" also applies to short term/vacation rentals. If the average daily rate achieved at other Six Senses hotels can be replicated at Kerilands (and we expect it will), the sales tax and bed tax collected will have a significant positive impact on the local economy.

The recommended plan for conserving natural resources in the Town are also respected by the proposed development strategy. The proposed Kerilands development is well balanced against the Town's objective to protect environmentally significant resources. The Master Plan describes these resources to "include steeply sloped areas, shallow and erodible soils, vast woodland areas, pure streams, lakes and reservoirs, and the visual effect of largely undeveloped or sparsely developed areas, as well fish and wildlife resources."

Most of the strategies to protect these resources have been adequately described above. Federal and State jurisdictional wetlands will not be impacted. By limiting development to less than 25% of the entire parcel, most existing vegetation will be preserved. This will allow protection of larger ecological systems which would be more severely impacted by development of large lots along existing and new public roads.

No lakes or ponds are presently located on the property except some scattered beaver ponds located off Hunter Road, which are far from the Development Areas. New water features will be created by the extraction of aggregate from the large and small quarries planned for the site. The only perennial stream on the site is Fir Brook. While this will be the discharge point of a WWTP to serve the development activity on the north side of the ridge line, the strategy described for treatment of wastewater described in 2(c) above is such that there will be no negative impact on the waters of Fir Brook.

Every effort will be made for protecting water quality by designing low-technology, low-maintenance storm water protection methods. The current DEC requirements for capturing and attenuating runoff require the post-development rate of run off to not increase as compared to the current conditions. Every effort will be made to incorporate the significant wetland at the base of the ski slopes in stormwater mitigation design to fulfill the function of sediment removal and stormwater storage. By clustering the development activities, large scale stormwater management can be implemented vs. the complexity of handling stormwater on a lot-by-lot basis.

Visual and scenic environmental resources will be preserved. All meaningful improvements on the northerly facing side of the site were designed to be below an elevation where visible from afar. The village is tucked into a bowl-shaped area of the site which is not highly visible. By clustering the development activities, most existing views to the property will remain unchanged.

In summary, it is evident that the Town's well written Master Plan remains materially relevant today and the Kerilands' development strategy achieves the primary goals of the Master Plan.

b. Preliminarily identify any zoning changes needed/desired

The entire 3,150-acre parcel is located in the Town's RC zoning district. The Kerilands Adventure Center meets the definition of Commercial Recreation Facilities-Outdoors. Many of the other contemplated uses are either permitted, accessory or special uses in the RC zone. That said, for the Project to become a reality, we believe enactment of an overlay zone for this large parcel is necessary. This involves legislative action by the Town Board. Prior to development of the casino, hotel, waterpark and golf course at the former Concord Hotel property in the Town of Thompson, the Town adopted an overlay zone. Given the nature of the contemplated uses instead of calling the overlay zone a PUD ("Planned Unit Development"), the overlay zone was called a PRD ("Planned Resort Development"). For Kerilands, we will request the Town amend its Zoning Law to create a PRRD ("Planned Resort and Recreation District").

The exact types and extent of uses desired will be based on more detailed planning for the site. We expect the Town Board will refer the zoning amendment to the Planning Board for review and a recommendation. That will avoid enactment of legislation for uses the Planning Board is not willing to consider. We expect that the PRRD legislation would require preparation of a Draft Generic Environmental Impact Statement ("DGEIS") and that the Town Board would act as lead agency for SEQRA. We envision that following adoption of the PRRD all commercial or multi-family development activities would be subject to site-specific SEQRA review for conformance with the PRRD and site plan approval and the development of residential lots would be subject to subdivision approval.

It is too early in the planning process to speculate on the exact legislation desired but the presently envisioned development activities are described in 2(b) above.

c. Summary of initial community benefits of the proposal

Community benefits are described throughout the information provided above. These benefits include expanded recreation opportunities, additional cultural facilities, assisted living facilities, enhanced fire protection, the construction of a community hall, development of needed market rate workforce housing, many new jobs, money brought to Neversink from outside the local economy and left behind in the local economy, state and local sales tax collections, bed tax revenues to the County and an expanded property tax base. No other project that we have ever worked with can make claim to this long list of community benefits.

4. **Binding Agreement to pay and fund (including replenish) an escrow for all Town costs, including legal and consultants, and all litigation that may result.** An Escrow Agreement was executed by Keriland Inc. on April 14, 2022. The initial escrow deposit in the amount of \$25,000 was made on April 15, 2022.

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Summary.

At Kerilands, the vision of a new sustainable community designed around recreation, health, and wellness, and coupled with the stunning land and strong community context of the Catskills, has the potential to become a place where all can come together in nature. We have used these past months working carefully as a team to craft a Project unique and sensitive to the place, that benefits the local community, and brings amenities and a recreational program to the area that builds on the history of the Catskills as a historic retreat destination.

Throughout this process we have met with many local community members and look forward to working with others as we ensure Kerilands is equally designed for the local resident looking to explore new four-season recreational opportunities as it is for the health and wellness focused international or city visitor. With a commitment to realizing this vision, we look forward to our next opportunity to discuss this Project with you and the community.

Very truly yours,  
GARIGLIANO LAW OFFICES, LLP

*Barbara A. Garigliano*

Barbara A. Garigliano, Esq.

BAG/sj

Enc.

|     |  |                  |
|-----|--|------------------|
| cc: | Keith Zanetti, Councilperson                 | <i>Via Email</i> |
|     | Nicole Gorr, Councilperson                   | <i>Via Email</i> |
|     | Scott Grey, Councilperson                    | <i>Via Email</i> |
|     | Richard I. Coombe, Jr., Councilperson        | <i>Via Email</i> |
|     | Phillip Coombe, III, Planning Board Chairman | <i>Via Email</i> |
|     | Jonathan Leitersdorf                         | <i>Via Email</i> |
|     | Jim Tinson                                   | <i>Via Email</i> |
|     | Nicholas Baran                               | <i>Via Email</i> |
|     | Robert Gorton                                | <i>Via Email</i> |
|     | Raymond Del Savio                            | <i>Via Email</i> |
|     | Mark Millsbaugh                              | <i>Via Email</i> |
|     | Thomas Johnson                               | <i>Via Email</i> |
|     | Kenneth Wersted                              | <i>Via Email</i> |
|     | Chris Geroux                                 | <i>Via Email</i> |
|     | William Miller                               | <i>Via Email</i> |
|     | John Brust                                   | <i>Via Email</i> |
|     | James A. Bates                               | <i>Via Email</i> |
|     | Gary Packer                                  | <i>Via Email</i> |
|     | Michael Packer                               | <i>Via Email</i> |
|     | Walter F. Garigliano, Esq.                   | <i>Via Email</i> |

Exhibit B

TOWN COUNCIL

SUPERVISOR - CHRISTOPHER MATHEWS  
COUNCILMAN - RICHARD COOMBE, JR.  
COUNCILMAN - SCOTT GREY  
COUNCILMAN - KEITH ZANETTI  
COUNCILWOMAN - NICOLE GORR

**TOWN OF NEVERSINK**  
**P.O. BOX 307, 273 MAIN STREET**  
**GRAHAMSVILLE, NY 12740**  
**845-985-2262 ~ 845-985-7685**  
**FAX 845-985-7686**



May 13, 2021

***VIA ELECTRONIC MAIL***

Barbara Garigliano, Esq.  
Garigliano Law Offices  
265 Broadway  
P.O. Drawer 1069  
Monticello, New York 12701-1069

***Re: Possible Kerilands Development Proposal***

Dear Barbara:

We want to thank you and your team, especially Jonathan Leitersdorf, for the presentation made to the Town Board on April 26, 2021 relating to your vision for the Kerilands Project. The Town Board and I agree it is an exciting concept and merits our careful attention and consideration.

At the same time, we must be mindful of our responsibilities as a Town and to our citizens. To that end, we think it is critical that we get some additional information regarding the Kerilands Project before scheduling the joint Town/Planning Board meeting you requested.

Below is a list of that important information. It can be conceptual and preliminary, but is needed to provide us a clearer picture of what is envisioned and the issues that we must consider as a Town:

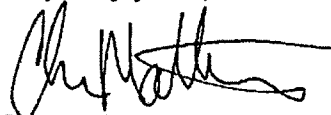
1. Existing conditions base map of the portion of the site proposed to be developed, also indicating:
  - a. Topography with a smaller contour interval (10 or 20 feet)
  - b. Possible regulatory constraints such as regulated wetlands and watercourses, steep slopes, constrained soils, bedrock, etc.
  - c. Potential development areas indicated - with acreage of each area



2. Concept Plan on the same base map as above, with indication of:
  - a. Access route to each development area
  - b. Number, mix and allocation/proportion/range of uses at full build-out (number/type of residential units, SF of other uses such as recreation, restaurant, hotel, amenities, parking, etc) of each development area
  - c. General indication of location for stormwater management facilities
  - d. Indication of proposed concept for water supply and sanitary waste disposal for the uses
3. Narrative that addresses, generally:
  - a. Consistency of the Project with the Comprehensive Plan (or, proposal to update the Comp Plan, if that is the case)
  - b. Preliminarily identify any zoning changes needed/desired
  - c. Summary of initial community benefits of the proposal
4. Binding Agreement to pay and fund (including replenish) an escrow for all Town costs, including legal and consultants, and all litigation that may result. The form of such agreement is attached.

Again, we appreciate your interest in development within the Town. We look forward to working with you on this exciting project.

Very truly yours,



Christopher Mathews  
Town Supervisor

cc: Keith Zanetti, Councilperson  
Nicole Gorr, Councilperson  
Scott Grey, Councilperson  
Richard Coombe, Jr., Councilperson  
Phil Coombe, Planning Board Chair

Exhibit C

(1) COUNTY Sullivan  
 (2) TOWN Parkville

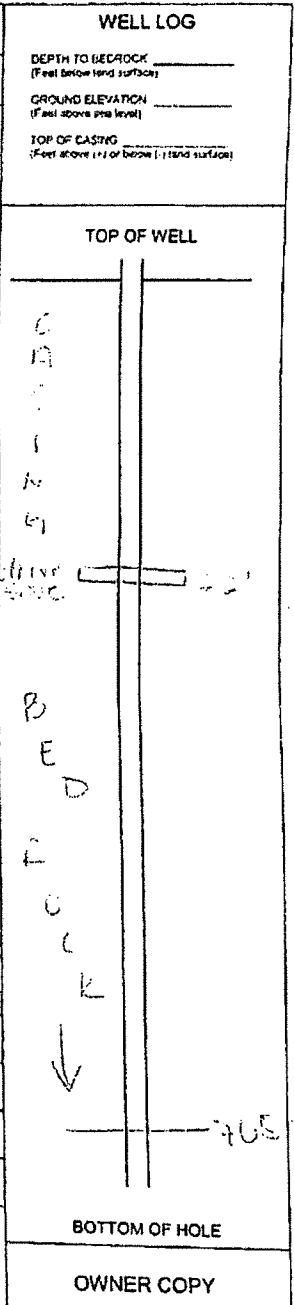


Department of  
Environmental  
Conservation

**WATER WELL COMPLETION REPORT**

(3) DEC Well Number  
V5000

|   |   |
|---|---|
| (4) OWNER NAME<br><u>Kenneth Inc</u>  |   |
| (5) OWNER ADDRESS<br><u>541 S. Kirkland Rd. Orlando FL</u>  |   |
| (6) WELL ADDRESS (Provide sketch of map)<br><input type="checkbox"/> Same as owner address <u>FL 2nd Parkville, NY</u>                      |   |
| (7) LATITUDE/LONGITUDE AND METHOD USED<br><input type="checkbox"/> GPS <input type="checkbox"/> Map   |   |
| (8) TAX MAP NO  |   |
| (9) DEPTH OF WELL (Feet)<br><u>705</u>  | (10) DEPTH TO GROUNDWATER (Feet) AND DATE MEASURED  |
| (11) FLOWING?<br>Yes <input type="checkbox"/> No <input type="checkbox"/>   |   |
| <b>CASINGS</b>  |   |
| (12) DIAMETER<br><u>8</u> in.   | (13) LENGTH<br><u>20</u> ft.  |
| (14) GROUT TYPE / SEALING   | (15) GROUT / SEALING INTERVAL (Feet) From <u>      </u> To <u>      </u>  |
| <b>SCREENS</b>  |   |
| (16) MAKE & MATERIAL  | (17) SLOT SIZE  |
| (18) DIAMETER<br><u>      </u> in.  | (19) LENGTH<br><u>      </u> ft.  |
| (20) DEPTH TO TOP OF SCREEN, FROM TOP OF CASING (Feet)  |   |
| <b>FIELD TEST</b>   |   |
| (21) DATE<br><u>11/7/2021</u>   | (22) DURATION OF TEST (Hours/minutes)<br><u>1hr</u>   |
| (23) LIFT METHOD<br><input type="checkbox"/> Pump <input checked="" type="checkbox"/> <u>2" Lift</u> <input type="checkbox"/> Battery       | (24) STABILIZED DISCHARGE (GPM)<br><u>65 gpm</u>  |
| (25) STATIC LEVEL PRIOR TO TEST (Feet/inches below top of casing)   | (26) MAXIMUM DRAWDOWN (Stabilized) (Feet/inches below top of casing)  |
| (27) RECOVERY TIME (Hours/minutes)  | (28) Was the water produced during the test discharged away from immediate area? Yes <input type="checkbox"/> No <input type="checkbox"/> |
| <b>PUMP INSTALLATION</b>  |   |
| (29) PUMP INSTALLED?<br>Yes <input type="checkbox"/> No <input type="checkbox"/>  | (30) DATE   |
| (31) TYPE   | (32) MAKE   |
| (33) MAXIMUM CAPACITY (GPM)   | (34) PUMP INSTALLATION LEVEL (Feet below top of casing)   |
| <b>DRILLER INFORMATION</b>  |   |
| (35) METHOD OF DRILLING<br><input type="checkbox"/> Rotary <input type="checkbox"/> Cable Tool <input type="checkbox"/> Other <u>      </u> | (36) USE OF WATER (See instructions for choices) <u>back supply</u>   |
| (37) DATE DRILLING WORK STARTED<br><u>11</u>  | (38) DATE DRILLING WORK COMPLETED   |
| (39) DATE REPORT FILED<br><u>12/1/21</u>  | (40) REGISTERED COMPANY NAME<br><u>Atlantic Well Drilling Parkville NY 16151</u>  |
| (41) CERTIFIED DRILLER (Print name)<br><u>Anthony Alfano</u>  | (42) CERTIFIED DRILLER SIGNATURE<br><u>Anthony Alfano</u>   |



**LOCATION SKETCH - Indicate north**

By signing this document I hereby affirm that: (1) I am certified to supervise water well drilling activities as defined by Environmental Conservation Law 15-1502; (2) this water well was constructed in accordance with water well standards promulgated by the New York State Department of Health; (3) under the penalty of perjury the information provided in this Well Completion Report is true, accurate and complete, and I understand that any false statement made herein is punishable as a Class A Misdemeanor under Penal Law §210.45.

04/2018



# CONTINENTAL PLACER INC.

11 Winners Circle • Albany, New York 12205  
(518) 458-9203 *fax* (518) 458-9206  
[www.continentalplacer.com](http://www.continentalplacer.com)

## MEMORANDUM

TO: Robert Gorton  
FROM: Bill Miller, Continental Placer Inc.  
SUBJECT: Keriland Water Well Drilling Overview  
DATE: January 14, 2021

---

Continental Placer Inc. (CPI) selected drilling locations at the Keriland property in Neversink, New York and Alfalla's Well Drilling & Pumps, Inc. (Alfalla) drilled the first well as a six-inch diameter boring down to 705 feet. Alfalla estimated the yield from this boring was 75 gallons per minute (gpm). Given the positive yield estimate, CPI authorized Alfalla to drill the borehole to an 8-inch diameter, which Alfalla did down to a depth of 480 feet.

Alfalla then began to mobilize to the second drilling location but was unable to because of treacherously icy conditions. As a result, after conversations with Bob Gorton, it was decided to cease drilling for the time being until more information regarding the project approvals is obtained and construction of access roads to the proposed drilling sites can be completed.

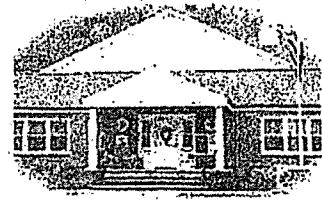
cc Mr. Larry Boudreau, Chazen Companies  
Mr. Glenn Smith, Glenn L. Smith Consulting Engineer, PC

20119

4 wells

Code Enforcement Officer  
phone 845 985 2262 x 302  
Fax 845.985 7686

**Building Permit Application**  
Town of Neversink  
273 Main Street, P. O. Box 307  
Grahamsville, NY 12740



Permit Number 20119 Tax Map # 8-1-3 Date Issued 11/12/20 Zoning District RC  
Estimated Cost of Project \$ 35,000 Fee \$ \_\_\_\_\_

Signature Steven C. Heetland Title (owner, agent etc.) SEC/TREAS.

The above-named applicant, hereby attest that I am the lawful owner of the property described within or am the lawful agent of said owner and affirm under the penalty of perjury that all statements made by me on this application are true.

This application for a building permit is made pursuant to those provisions of Chapter 50 of The Code of the Town of Neversink, Sullivan County, the State of New York, and agrees to comply with said ordinance and all other laws, regulations and requirements of the Town of Neversink and the State of New York, and agrees to permit the Town of Neversink Code Enforcement Officer or his agent to enter upon the premises without a warrant, for the purpose of inspection.

**INSTRUCTIONS**

1. This application must be completed in ink or typewritten and submitted to the Code Enforcement Officer.
2. A plot plan shall be submitted showing the location of the proposed building in relation to property boundaries, well and septic system, as well as other building.
3. Two complete sets of plans showing construction detail and specifications including structural, mechanical, electrical, and plumbing, as well as materials and equipment shall be submitted.
4. The work covered by this application shall not be started before the building permit is issued.
5. No residential permit will be issued until approved septic design is submitted by NYC-DEP or a licensed engineer.
6. Upon approval, a building permit will be issued together with an approved set of plans and specifications which must be kept on the job site for reference at the time of inspection.
7. No building may be occupied in whole or in part until a Certificate of Occupancy has been issued by the Code Enforcement Officer.
8. Work conducted pursuant to a building permit must be visually inspected by the Code Enforcement Officer and must conform the New York State Uniform Fire Prevention and Building Code, Codes of the Town of Neversink.
9. It is the owner's responsibility to contact the Code Enforcement Officer at least 48 hours before the owner wishes to have an inspection conducted.
10. Owner hereby agrees to allow the Code Enforcement Officer to inspect the sufficiency of the work being done pursuant to this permit.
11. New York State Law requires contractors to maintain Worker's Compensation and Disability Insurance for their employees. No permit will be issued unless currently valid Worker's Compensation and Disability Insurance certificates are attached to this application or are on file in the building department office.
12. The building permit placard must be displayed to be visible from the street nearest to the site of the work being conducted.

Property Location Pole Road (T.R. #60) Vacant Parcel  
Phone # \_\_\_\_\_

Name of all Owners Keriland, Inc.  
Mailing Address 5401 S. Kirkman Road, Suite 650  
Orlando, Florida 32819 Phone # 407-351-6006 x 203

Name of Applicant Steven C. Heetland, for Keriland, Inc.  
Address The Marcent Group, 5401 S. Kirkman Road, Suite 650, Orlando, FL 32819  
Phone # 407-351-6006, Ext. 203

**A sketch plan of the work to be performed must be made a part of this application. The sketch must include the following:**

1. Outline of the project lot.
2. Location and dimensions of principal and accessory structures, existing and proposed.
3. Distance of the proposal from all lot lines.
4. Distance of the proposal from well, septic system and any structure.
5. Location of site with respect to nearby streets, right-of-ways, easements and adjoining properties.

**Town of Neversink  
Building Permit Application; page 2**



Provide a detailed description of the project. Include dimensions and square footage:  
Construct four (4) drilled test wells, including Wells #1A, 2, 3 & 4 on east  
side of Pole Road, for proposed site development water supply evaluation.  
(See location map attached.)

**DESIGNERS AND CONTRACTORS**

Name of Architect/ Engineer: Chazen Companies  
Address 21 Fox Street, Poughkeepsie, NY 12601  
Name of Contractor Continental Placer, Inc. ✓  
Address 2 Winners Circle, Albany, NY 12205  
Electrical Inspection by N/A  
Agency \_\_\_\_\_  
Address \_\_\_\_\_  
Septic inspection by N/A  
Agency/ Engineer \_\_\_\_\_  
Address \_\_\_\_\_

**OWNER INFORMATION** (SEE ATTACHED CERTIFICATE)

Name of Insurance Carrier ZURICH AMERICAN INS. CO Policy # \_\_\_\_\_  
Address of Insurance Carrier \_\_\_\_\_ Phone # \_\_\_\_\_  
Name of Mortgage/Lien Holder N/A Phone # \_\_\_\_\_  
Address of Mortgage/Lien Holder \_\_\_\_\_

All work shall comply with The NYS Uniform Fire Prevention and Building Code  
and all other Federal, State and Local Laws.

Permit #20119

## Building Permit

Town of Neversink  
Office of Code Enforcement  
P.O. Box 307, 273 Main Street  
Grahamsville, NY 12740



---

A Building Permit has been issued to **Steven Heetland for Keriland, Inc.**, on behalf of the owner, **Keriland Inc**, permitting work on a **Com. New at Pole Rd** (Tax Map Number 8.-1-3).

**Description of Work:**

CONSTRUCTION OF FOUR (4) DRILLED TEST WELLS, #1A, 2, 3 & 4 ON EAST SIDE OF POLE ROAD, FOR PROPOSED SITE DEVELOPMENT WATER SUPPLY EVALUATION.  
THE PROPOSED WELLS SHALL NOT BE PLACED INTO SERVICE UNTIL UNTIL CONSTRUCTION OF ALL WATER SUPPLY IMPROVEMENTS HAVE BEEN COMPLETED AND APPROVED BY THIS OFFICE.

Issue Date: **11/12/2020**

Expiration Date: **11/12/2022**

All work shall be executed in strict compliance with the permit application, approved plans, the NYS Uniform Fire Prevention and Building Code, and all other laws, rules, and regulations which apply. The building permit does not constitute authority to build in violation of any federal, state, local law or other rule or regulation. The Code Enforcement Officer shall be notified immediately in the event the work does not conform with the construction documents.

Do not proceed before notifying the Code Enforcement Officer for inspection before footings are poured, prior to pouring foundation, before foundation is back filled, before floor is poured, when framing is substantially complete, before enclosing plumbing, electric, HVAC. When insulation is in place and for final inspection.

Permission is hereby granted to proceed with the work as set forth in the specifications, plans, or statements now on file in the Department, Any amendments made to the original plans or specifications must be submitted for approval.

Signature



Town Code Enforcement Officer

**GLENN L. SMITH, P.E.**  
**Consulting Engineer, P.C.**

533 Broadway / P.O. Box 156  
Monticello, New York 12701  
Telephone: (845) 796-2216

Licensed in New York, New Jersey, and Pennsylvania

Fax: (845) 796-2716  
Email: gsmith.pepc@verizon.net

November 3, 2020

Town of Neversink Building Department  
273 Main Street, P.O. Box 307  
Grahamsville, NY 12740

Attn: Keith Stryker, CEO

Re: Proposed Test Wells for Keriland Development,  
Pole Road, Willowemoc, (T) Neversink, SBL #8-1-3

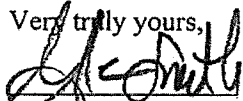
Dear Keith,

Per our correspondence a few weeks ago, I have attached the following application documents for a permit to drill a maximum of four (4) test wells on the above-noted owners property:

1. "Building Permit Application" by Keriland, Inc. for constructing four (4) test wells, with \$150 permit fee check.
2. USGS Wells Location Map for Wells #1A, 2, 3 & 4.
3. Color 3-D "Wells Location Map" by Chazen Companies.
4. Town of Neversink Tax Map Section 8 showing wells locations.
5. Aerial photo showing wells locations.
6. "Typical Well Detail" dated October 28, 2020.
7. Copy of NYSDOH / Glenn Illing, P.E. e-mail of October 28, 2020 indicating approval of wells locations.
8. Keriland, Inc. - "Certificate of Liability Insurance - ACORD 25" and "Certificate of Attestation of Exemption CE-200", naming Town of Neversink as Certificate Holder.
9. Continental Placer, Inc. - "Certificate of Liability Insurance - ACORD 25" and "Certificate of Workers Comp." form C-105.2, naming Town of Neversink as Certificate Holder.
10. Alfallas Well Drilling & Pumps - "Certificate of Liability Insurance - ACORD 25" and "Certificate of Workers Comp." form C-105.2, naming Town of Neversink as Certificate Holder.

Could you please let me know if any additional information is required for issuance of a permit to construct the wells, the driller would like to schedule the first well for the week of November 16, 2020.

Thank you.

Very truly yours,  
  
Glenn L. Smith, P.E.

GLS/mdc

Encl.

cc: Larry Boudreau, Chazen  
Chris LaPorta, Chazen  
William Miller, CPI  
Moishe Ziv  
Robert Gorton  
Steve Heetland  
James Bates





## Department of Health

ANDREW M. CUOMO  
Governor

HOWARD A. ZUCKER, M.D., J.D.  
Commissioner

LISA J. PINO, M.A., J.D.  
Executive Deputy Commissioner

November 6, 2020

Glenn L. Smith, P.E.  
533 Broadway / P.O. Box 156  
Monticello, NY 12701

Re: Keriland Project  
New Well Construction Plan  
Tax Parcel 8.-1-3  
(T) Neversink, Sullivan County

Dear Mr. Smith,

This office is in receipt of a sketch plan and typical well construction detail drawing for water supply well construction on the above referenced property. The well construction detail drawing dated October 28, 2020 and accompanying sketch plans dated October 28, 2020 proposing locations and construction for Well 1A, Well 2, Well 3, and Well 4 have been reviewed and found to be acceptable.

This approval only applies to the proposed well location and construction shown in the referenced documentation. Engineering plans and an engineer's report which includes the following information must be submitted to the Department for review and approval following completed construction of the proposed well and prior to construction of any additional water supply improvements:

1. NYSDEC Water Well Completion Report(s).
2. Tabulated results of well yield acquired during a pump test conducted in accordance with 10NYCRR, Subpart 5-1, Appendix 5-D which includes at least six hours of stabilized yield and drawdown at the end of the test. The reported results shall also include water level in the well(s) during the recovery period after cessation of pumping from the drawdown level(s) back to at least 90% of initial water level or for a period of 24 hours, whichever occurs first. Hydrograph plots should be provided that represent data collected from the designated offsite monitoring well(s) and the proposed onsite well(s) throughout the duration of the pump test.
3. Results of analysis reported from a NYSDOH approved lab indicating satisfactory Part 5 water quality analysis. This shall include water quality sampling and analysis for inorganic chemicals, organic chemicals, and microbiological contaminants as listed in Subpart 5-1. Specifically, the analyte/analyte groups identified in Tables 6, 8A, 8B, 8C, 8D, 9C, 9D, and 12. Vinyl Chloride, MTBE, PFOA, PFOS, 1,4-dioxane, and turbidity shall be included in any such analysis.
4. Water system design and supporting calculations for continuous disinfection and other required forms of treatment with adequate capacity for peak hourly flow conditions.

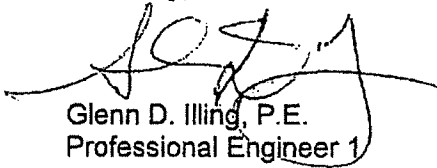
5. Comprehensive utility plan including but not limited to water treatment facilities, water supply distribution, finished water storage, sanitary and/or storm sewer conveyances, roads, buildings, refuse storage, topography, streams, waterbodies, stormwater treatment, and wetlands.
6. Specifications and installation requirements for totalizing water meters to monitor water production from each well and treated water entering the distribution system.

The proposed well(s) shall not be placed in service until construction of all required water supply improvements have been completed in accordance with approved plans and this office issues an approval of completed works.

Three copies of the well location and construction documents were included with your submittal. One copy of these documents has been retained by this office and the remaining copies returned to you with our signed approval stamp.

If you have any questions concerning this approval, please contact me at (845) 794-2045 or email: [glenn.illing@health.ny.gov](mailto:glenn.illing@health.ny.gov).

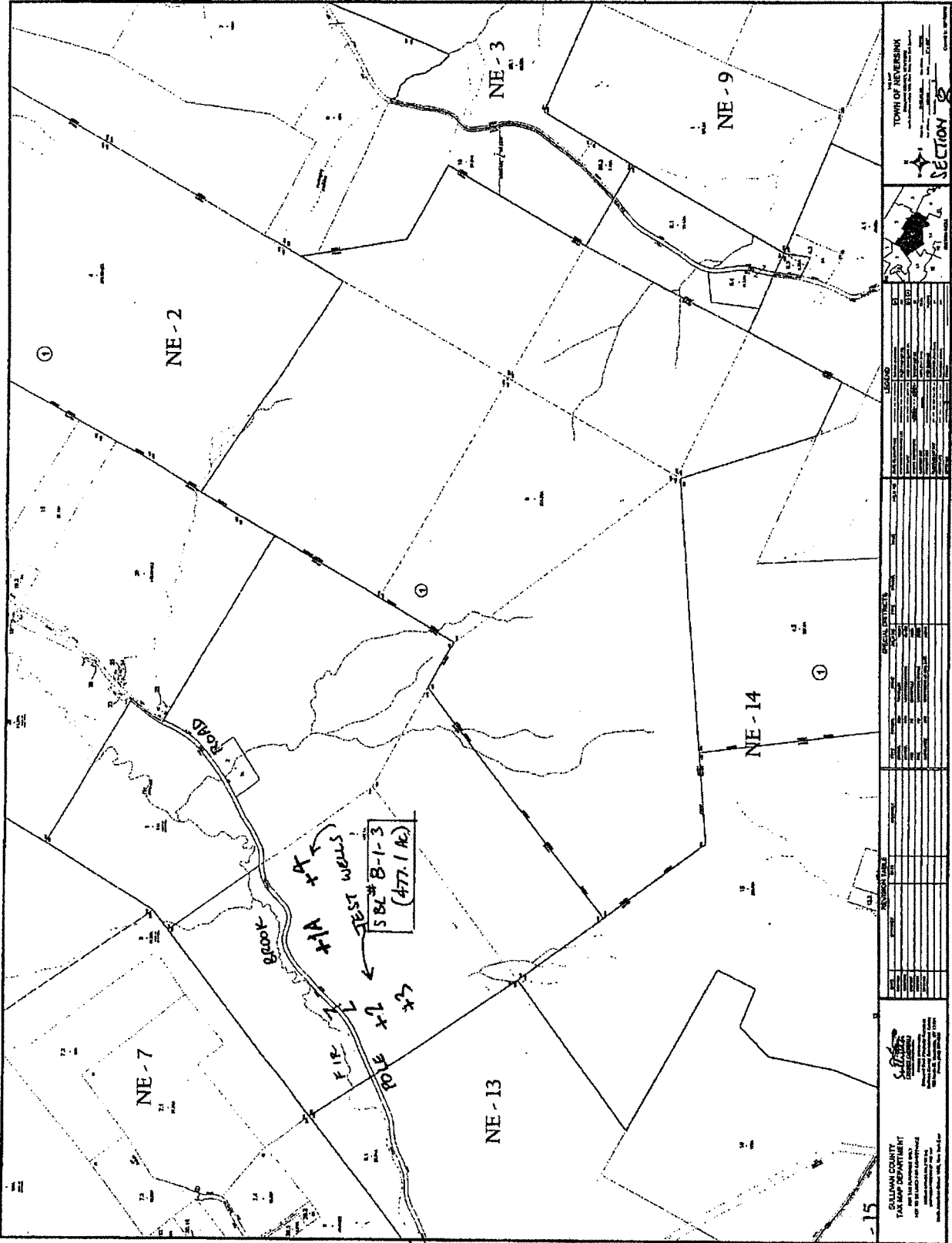
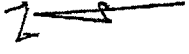
Sincerely,

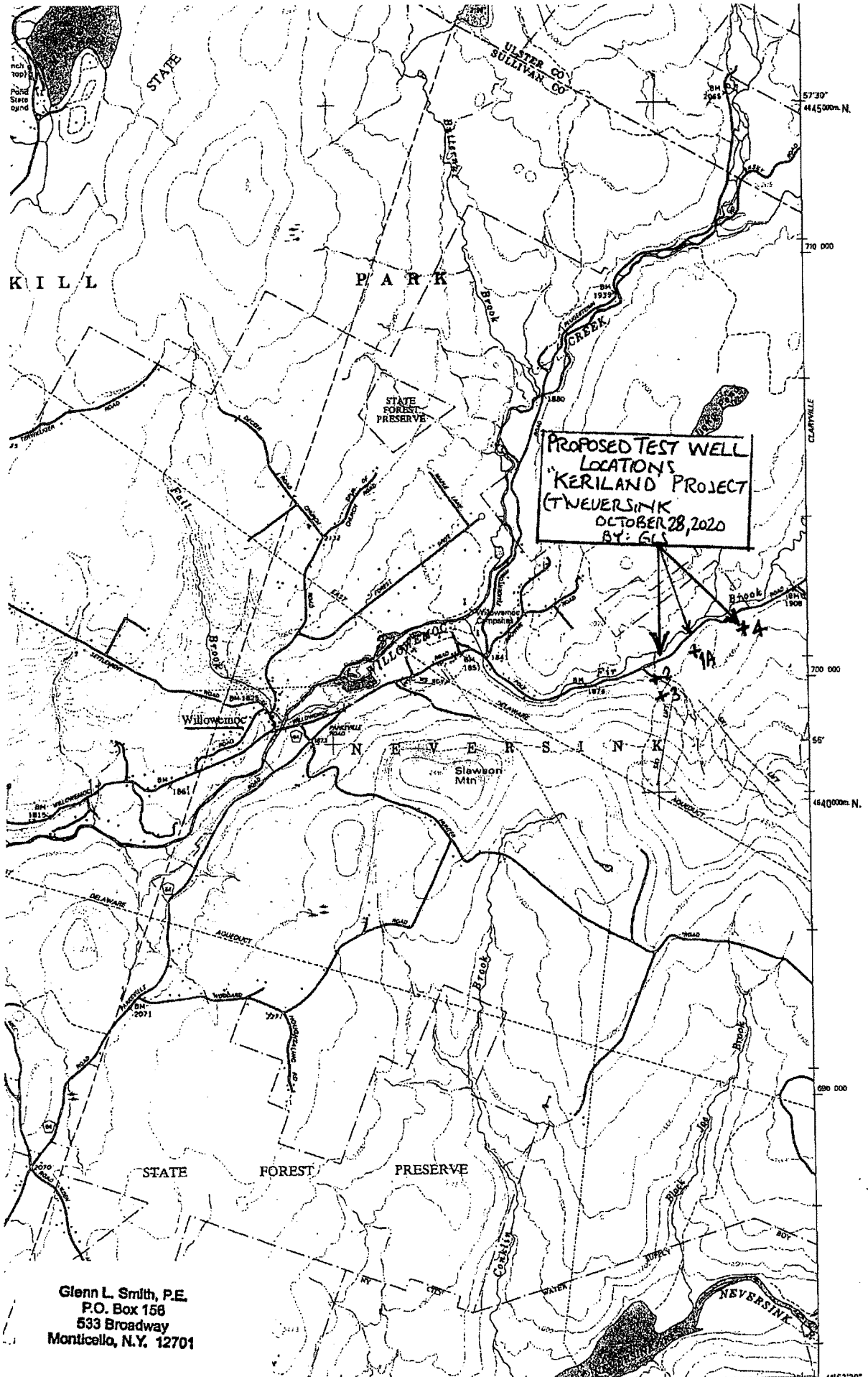


Glenn D. Illing, P.E.  
Professional Engineer 1

Enc.

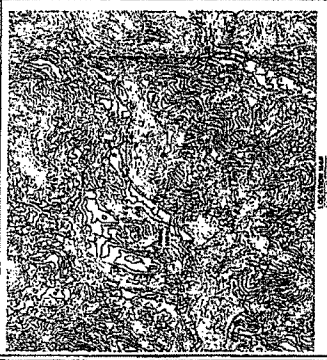
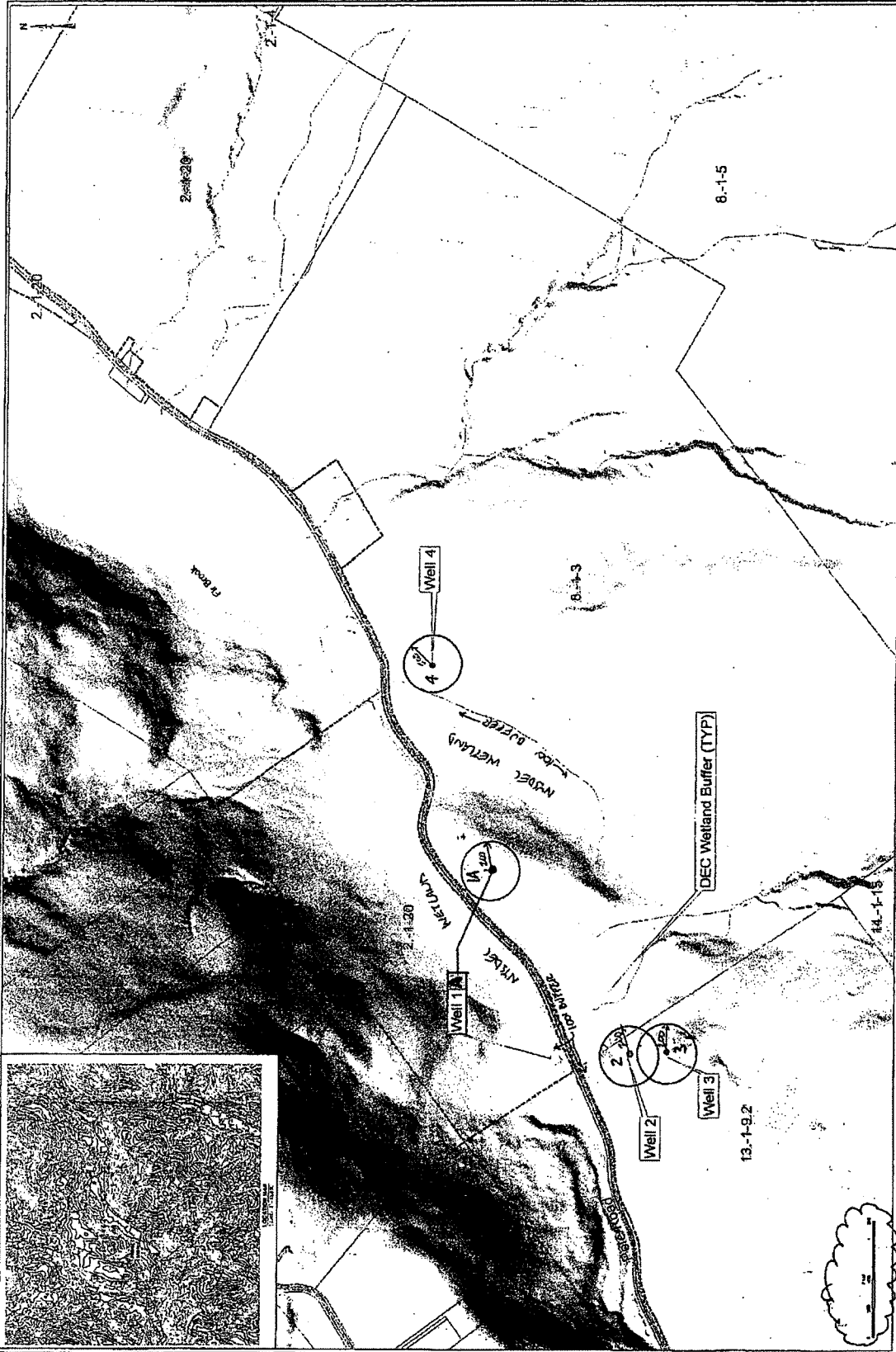
cc: Keith Stryker, CEO, (T) Neversink  
VanDerVliet, Principal Sanitarian, MDO  
File





PROPOSED TEST WELL  
LOCATIONS  
KERILAND PROJECT  
(TWEVERSINK  
OCTOBER 28, 2020  
BY: GLS)

Glenn L. Smith, P.E.  
P.O. Box 156  
533 Broadway  
Monticello, N.Y. 12701



|         |          |
|---------|----------|
| PROJECT | 18-114   |
| DATE    | 10/28/20 |
| SCALE   | 1"=400'  |
| DATE    | 10/28/20 |
| DATE    | 10/28/20 |

Well Location Map  
 REL 1 - 10/28/20  
 Town of Newburgh, Sullivan County, New York

APPROX. SCALE: 1"=700'

CHICKEN ENGINEERING, LAND SURVEYING, LANDSCAPE ARCHITECTURE & GEOLOGY CO., D.P.C.  
 Catskill Valley Office: 27 Fox Street, Catskill, NY 12414  
 Phone: (518) 441-7800  
 Capital District Office: 25 Elm Street, Catskill, NY 12414  
 Phone: (518) 273-3955  
 North County Office: 11 North Broadway, Catskill, NY 12414  
 Phone: (518) 537-4513

**THE CHICKEN COMPANIES**  
 CHICKEN ENGINEERING, LAND SURVEYING, LANDSCAPE ARCHITECTURE & GEOLOGY CO., D.P.C.  
 27 Fox Street, Catskill, NY 12414  
 Phone: (518) 441-7800

This map is a portion of The Chicken Companies' L.S. 18-114 and is not to be used for any other purpose. Any reproduction, alteration, or use of this map without the written consent of The Chicken Companies is strictly prohibited. The accuracy of this map is not guaranteed.

SCALE: 1" = 600'

WELL 4

WELL 1A

200' RADIUS ZONE AROUND WELLS

GoogleEarth Placemark

WELL 2

WELL 3

→ TO WILLOWemoc

PROPOSED TEST WELLS  
Nº. 1A, 2, 3 & 4  
LOCATION MAP  
KETILAND PROJECT  
(T) NEVERSINK SILL. CO.  
BY: GLS OCT. 28.2020

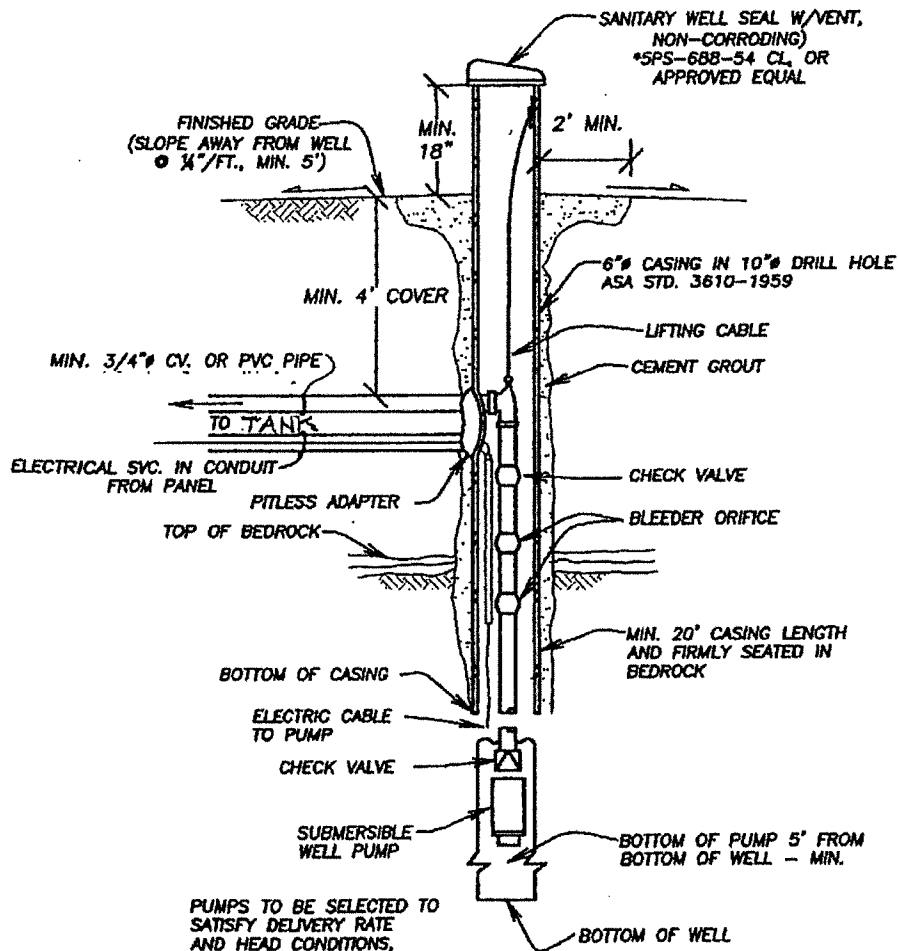
Glenn L. Smith, P.E.  
P.O. Box 156  
533 Broadway  
Monticello, N.Y. 12701

GLENN L. SMITH, P.E.  
 Consulting Engineer, P.C.  
 PO Box 156  
 533 Broadway  
 Monticello, NY 12701

Date: OCTOBER 28, 2020  
 Project: KERILAND DEVELOPMENT  
TEST WELLS  
(T)NEVERSINK

WELL CONSTRUCTION STANDARDS:

1. DRILL HOLE TO BE CASING SIZE PLUS 4" WITH A MIN. OF 20' OF GROUTING INTO ROCK.
2. CASING TO BE THROUGH OVERBURDEN AND FIRMLY SEATED INTO ROCK.
3. WELLS SHALL BE CONSTRUCTED IN ACCORDANCE WITH THE LATEST REVISION 10 NYCRR-APPENDIX 5-B.



TYPICAL WELL DETAIL

N.T.S.

10/28/20

**From:** glenn.illing@health.ny.gov,  
**To:** gsmith.pepc@verizon.net,  
**Subject:** RE: Proposed Keriland Project, Willowemoc, (T) Neversink  
**Date:** Wed, Oct 28, 2020 10:10 am  
**Attachments:** doc02171920201028095101.pdf (1478K), doc02171820201028095035.pdf (858K)

---

Good morning Glenn,

The proposed water supply well locations shown in the attached PDF files will be acceptable. Please provide paper copies with P.E. seal and signature and include a typical well construction detail drawing, so we can issue formal approval.

Thank you.

Glenn D. Iling, P.E.  
Professional Engineer 1  
NYS Dept. of Health, Monticello District Office  
50 North Street, Suite 2  
Monticello, New York 12701  
(845) 794-2045  
(845) 794-3165 – Fax

email: [glenn.illing@health.ny.gov](mailto:glenn.illing@health.ny.gov)

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**From:** Glenn Smith <gsmith.pepc@verizon.net>  
**Sent:** Wednesday, October 28, 2020 9:56 AM  
**To:** Iling, Glenn D (HEALTH) <glenn.illing@health.ny.gov>  
**Subject:** Proposed Keriland Project, Willowemoc, (T) Neversink

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Glenn,



Exhibit D

**AGREEMENT FOR THE PAYMENT OF TOWN OF NEVERSINK COSTS AND  
EXPENSES IN CONNECTION WITH THE PROPOSED KERILANDS  
DEVELOPMENT**

This is an Agreement (“Agreement”) dated April 25, 2022, by and between the Town of Neversink, New York, a municipal corporation organized and existing under the laws of the State of New York with a principal office located at Town of Neversink Town Hall, 273 Main Street, P.O. Box 307, Grahamsville, New York 12740 (“Town”) and Keriland Inc., a New York corporation with a principal place of business located 5401 S. Kirkman Road, Suite 650, Orlando, Florida 32819 (“Developer”).

**WHEREAS**, Developer has approached the Town regarding development of a ±3,150 acre undeveloped tract of land owned by Developer generally located between Hunter Road, Blue Hill Road and Pole Road; and

**WHEREAS**, Developer has represented to the Town that such proposed development is contemplated as a mixed-use resort including residential, recreational, tourism and commercial components (the “Project”); and

**WHEREAS**, the Project would require, at a minimum, one or more amendments to the Town of Neversink Comprehensive Plan and to the Town of Neversink Zoning law (“Zoning Law”) and potentially other federal, state, county and local approvals (such approvals are referred to in this letter either individually, in part or collectively as “Approvals”); and

**WHEREAS**, Developer has agreed to pay any and all costs and expenses incurred by the Town in connection with the Project, including the Approvals; and

**WHEREAS**, such costs and expenses include but are not limited to, fees and expenses incurred by the Town for legal, engineering, technical and environmental consulting services in connection with the Project (“Costs”); and

**WHEREAS**, for purposes of determining Costs, references to the Town in this Agreement shall include the Town Board, Planning Board and Zoning Board of Appeals; and

**WHEREAS**, this Agreement shall be fully enforceable against Developer notwithstanding any existing requirements under the Zoning Law, State Environmental Quality Review Act (“SEQRA”) or otherwise; and

**WHEREAS**, the Town Board expects to act as lead agency for purposes of the SEQRA review for the Project, which has been preliminarily classified as a Type I action; and

**WHEREAS**, the Town Board has reviewed this Agreement and authorized the Town Supervisor to execute this Agreement on behalf of the Town.

**NOW THEREFORE**, in consideration of the mutual promises herein, the Town and Developer hereby agree as follows:

1. Developer shall pay the Town in full for all Costs incurred in connection with the Town's consideration of the Project, including but not limited to compliance with SEQRA, and any and all Approvals. Unless otherwise agreed, Developer shall not be required to pay the Town for any Costs associated with any litigation related to the Project, provided, however, that the Town shall not have any obligation whatsoever to defend any litigation which Developer does not agree in writing to fund within ten (10) business day of a written request from the Town to do so.

2. Upon execution of this Agreement, Developer shall deposit the sum of \$25,000.00 with the Supervisor of the Town of Neversink ("Town Supervisor"), who shall hold the funds in escrow in a non-interest bearing account and use such funds to pay Costs.

3. The Town Supervisor shall utilize the escrow account to pay Costs. The Town shall require each consultant to deliver to the Town and to Developer a copy of each itemized bill submitted for payment at least twenty (20) days before payment of such bill is due. In all events, the Town shall pay undisputed Costs when due. If Developer objects to any amount contained in any such bill, it shall notify the Town Supervisor in writing within fifteen (15) days of its receipt of such bill, including the reasons stated for such objection. The Town Supervisor, in consultation with the Town Attorney, shall determine the merits of such objection within fifteen (15) days of such written objection. To the extent it is determined that the objection has merit, to such extent, the disputed amount shall not be paid pending good faith negotiations between the Town Supervisor in consultation with the Town Attorney, and the Developer, for a period of twenty (20) days. If no resolution is reached during such time period, the matter shall be referred to the Town Board for its determination. All disputed Costs determined reasonable by the Town Board shall be promptly paid. To the extent Developer believes the Town Board determination breaches this Agreement, Developer shall have available those rights and remedies under New York State law to enforce this Agreement.

4. The Town Supervisor shall review all professional consulting invoices incurred under this Agreement and shall approve payment of only such Costs which he/she determines are reasonable.

5. At the request of Developer, the Town shall provide Developer with a proposed scope of work and estimate of the fees and expenses to be incurred for any task to be performed in reviewing the Project. Nothing in this Agreement shall be interpreted: as providing the Developer with approval authority over the scope, need or costs of any such work; or as limiting the Developer's obligation to pay, or the Town's right to be paid, actual Costs incurred that exceed any estimate delivered to Developer.

6. The Town shall notify Developer ten (10) days in advance of retaining any legal, engineering, technical, or other professional consultants.

7. Should the sums being maintained in the escrow account by the Town become reduced to the point where there remains \$7,500 or less in said escrow account, within ten (10) days after receipt of written notice of such balance from the Town, Developer shall replenish the escrow account with a deposit of at least the amount needed to increase the escrow account to \$25,000, or a lesser amount specified in the written notice.

8. In the event Developer fails to timely replenish the escrow account as provided in Paragraph 7 above, the Town may take one or more of the following actions:

- a. suspend all activities in furtherance of the Project until the required amounts have been deposited; or
- b. pay any Costs due that the escrow account balance is insufficient to cover, in which case Developer shall pay interest at 9% per year on such Costs paid by the Town.

Developer agrees that, in the event the Town suspends its activities under this Paragraph 8, Developer expressly agrees and consents to the extension of any applicable time frame that may otherwise apply to the Town and expressly waives any rights to seek to enforce any such time frame.

9. In the event Developer withdraws or abandons the Project, any balance remaining in the escrow account shall be refunded to Developer within ninety (90) days after the Town's receipt of a written notice of such withdrawal (the "Withdrawal Date"), provided that all costs incurred through the Withdrawal Date have been paid. In the event all Approvals have been obtained and all Costs have been paid, any remaining balance in the escrow account shall be refunded to Developer.

10. Nothing herein shall be interpreted as excusing the Developer's obligation to pay Costs or to adequately fund the escrow account to cover such Costs.

11. The parties acknowledge and agree that the Town possesses the right to require Developer to pay Costs pursuant to the Zoning Law and SEQRA. Nothing in this Agreement is

intended to limit in any way the Town's right to do so to the extent such Costs are not paid pursuant to this Agreement. Similarly, nothing in the Zoning Law or SEQRA is intended to limit in any way the Town's right to enter into and enforce this Agreement.

12. Developer hereby waives any and all claims of any kind or nature that this Agreement is unenforceable, either in whole or in part. Notwithstanding Paragraph 1, Developer agrees to release, indemnify and hold harmless, including payment of reasonable attorneys' fees and costs, incurred by the Town, to defend a challenge to enforceability of this Agreement.

13. This Agreement constitutes the entire and exclusive agreement between Developer and the Town concerning the subject matter herein and therein, and supersedes any prior or contemporaneous oral or written agreements or understandings.

14. No modifications to this Agreement shall be effective unless in writing and signed by both parties.

15. This Agreement shall be binding on and inure to the benefit of the respective successors, assigns, and personal representatives of the parties.

16. This Agreement shall be deemed to have been mutually drafted and shall be construed fairly and in accordance with its terms. No party shall be entitled to any presumption or construction in such party's favor as a result of any party assuming the burden of memorializing the parties' agreement hereunder.

17. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Faxed or e-mailed signatures to this Agreement shall be binding for all purposes.

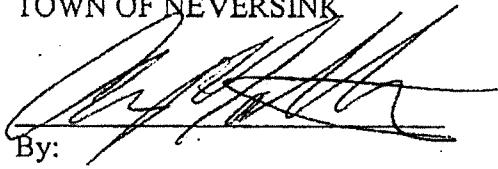
18. This Agreement shall be governed by the laws of the State of New York without reference to the conflict of laws rules thereof. The parties agree that any legal action or proceeding may only be brought in the Supreme Court of the State of New York, Sullivan County; and that both parties expressly waive any and all rights to pursue any legal action or proceeding in United States District Court.

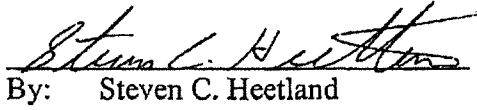
*[Signature page follows.]*

[Signature Page to Escrow Agreement Between Developer and Town of Neversink]

TOWN OF NEVERSINK

DEVELOPER

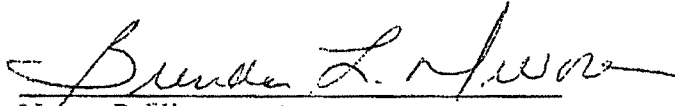


  
By: Steven C. Heetland

By:  
Town Supervisor

STATE OF NEW YORK     )  
  ) ss.:  
COUNTY OF                    )

On the 25<sup>th</sup> day of April in the year 2022, before me the undersigned, a Notary Public in and for said State, personally appeared Christopher Mathews, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

  
Notary Public

STATE OF FLORIDA     )  
  ) ss.:  
COUNTY OF                    )

BRENDA L DEVORE  
Notary Public, State of New York  
Sullivan County Clerk's No. 1715  
Commission Expires Dec. 31, 2024

On the 14<sup>th</sup> day of April in the year 2022, before me the undersigned, a Notary Public in and for said State, personally appeared STEVEN C. HEETLAND, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

  
Notary Public

