

**TWILIGHT PARK
HAINES FALLS, NEW YORK 12436**

**DR. ALLAN M. LANS
PRESIDENT, BOARD OF DIRECTORS**

October 18, 2010

Dear Fellow Cottagers,

I want to take a few minutes to bring all of you up to speed on a proposal currently being evaluated by the Board that would provide us with a new revenue source and reliable Park-wide cell phone service.

AT&T has approached us with an unsolicited offer to install and maintain a cellular tower on leased Park grounds near the water tank for a rental period of five years.

Our conversations with AT&T remain at an early stage, and the Board looks forward to having a full and candid discussion with you of the proposal. If there is sufficient interest by Cottagers in AT&T's proposal, we would then negotiate the specific terms of a rental contract.

At this point, we have some basic information about cell tower lease arrangements generally, we have identified some potential objections that might be raised by the presence of a cell tower on Park grounds, and we have had preliminary discussions with AT&T in an effort to better understand what AT&T hopes to achieve. Here is what we have learned thus far:

- Although there are several cell phone service providers – including AT&T, Verizon, Sprint and T-Mobile – AT&T is presently the industry leader in installing cell phone towers across the United States. Typically, the company that installs a cell tower not only operates the tower for its own customers, but also provides to other cell service providers (through a sublease arrangement) the opportunity to place their cell transmitters on the service provider's tower. Thus, the fact that AT&T would be leading the cell tower placement effort does not preclude – and in fact, probably assists – other cell service providers, such as Verizon, Sprint and T-Mobile in using the same cell tower to bring cell service to their own customers in underserved geographical areas.
- Currently, there is weak and spotty cell service coverage for Twilight Park and Haines Falls, as well as the area visible through the notch of Kaaterskill Clove and along Route 23A leading to the Mountaintop from Palenville. Although there is a relatively small population of resident cell users over that geographical area (especially when compared to more heavily-populated areas), the absence of reliable cell service presents a safety issue along Route 23A and to the area's resident cell service users.
- I want to emphasize that your Board did not initiate this undertaking. By using Google Map satellite photos, AT&T identified our water tank as a favorable site

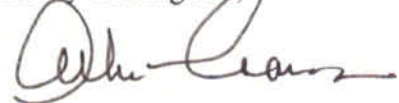
atop which to place a cell tower, and contacted Nathan to determine whether we'd be interested. At the time, AT&T erroneously assumed that our water tank stood at the height of conventional municipal water tanks. After visiting the Park, AT&T recognized that our water tank was too short to justify mounting their antenna arrays atop our water tank but indicated its interest in erecting a free-standing 60-foot tall tower in the area just adjacent to the water tank. (Outside of cities, a tower that size is relatively small. For instance, the cell tower behind Saugerties Town Hall is 120 feet tall. And the Centerville Fire Department cell tower is 180 feet tall, according to the Town of Saugerties district fire chief.)

- After AT&T approached us, we contacted an attorney who specializes in the representation of parties negotiating with cell service providers to assist us in evaluating any proposal AT&T makes. According to this attorney, AT&T most likely would be interested in a renewable five-year lease and would undertake all of the necessary site preparation and maintenance around the base of the tower, which would include a shed housing a back-up generator. Lease rates vary based on the number of subscribers residing in the cell service area and other factors, but our attorney anticipates that AT&T would offer us somewhere between \$1,200 - \$1,500 per month during the lease term. And, based on six years of experience by the Town of Saugerties shared with us by their supervisor, use of the tower by two or three other carriers could produce an aggregate monthly rent of between \$2,000 - \$3,000. (At \$2,300 aggregate monthly rental, the Town of Saugerties currently collects about \$27, 600 annually.) We won't know the specific terms of any AT&T proposal unless and until we collectively make a decision to go forward to the next stage of the project and solicit a definitive proposal from AT&T.
- There are several potential benefits that could be achieved through a cell tower lease, including the following:
 - Cottagers would obtain dependable cell service throughout the Park. This is not just a convenience issue, but a safety issue too. When walking through the Park and hiking through Park trails, we would have the ability in a crisis to summon help through cell service.
 - The mountain road between the Park and Palenville is often treacherous during inclement weather. Improved cell service would make it easier for disabled vehicles to obtain assistance along this road.
 - As an added service to the Park and its neighbors, the cell tower would incorporate a very thin vertical antenna to facilitate emergency communications between fire and rescue units responsible for safety on the Mountaintop.
 - While Twilight does not ordinarily engage in revenue-generating business opportunities, the Board's responsibilities include the prudent allocation of limited financial resources in operating the Park and keeping Cottager assessments as low as reasonably feasible. Revenues from a cell tower lease would help accomplish these goals.

- Our evaluation of this opportunity should also consider potential negatives. The following are some of the issues that the Board is continuing to evaluate, and that we should discuss:
 - Health concerns. I take seriously any concerns about the potential health impact of a cell service tower. Based on the preliminary research the Board has conducted to date, however, there appears to be no evidence for concerns about adverse health impacts of a cell tower within the Park. The radio waves emitted from cell towers dissipate shortly after transmission and do not penetrate the outer layers of the skin. Studies of potential health issues have instead focused on the dangers of extended use of cell phones and the radio waves they emit when held against the head, especially of children. In fact, the American Cancer Society has concluded that there is no proven health risk posed by cell towers. [[http://www.cancer.org/Cancer/CancerCauses/OtherCarcinogens/AtHome/cellular-phone-towers.](http://www.cancer.org/Cancer/CancerCauses/OtherCarcinogens/AtHome/cellular-phone-towers)] We will continue to evaluate this issue and welcome any scientific studies that you might come across on this subject.
 - Aesthetic concerns. The cell tower would be placed in an area adjacent to the water tank below the Lower Reservoir. For AT&T, this placement is optimal because it would allow both easy road access to the site and access to electrical power. As part of our preliminary discussions, I have asked AT&T to float a helium balloon sixty feet above the proposed site during the winter months so we can all judge the likely aesthetic impact of a cell tower on that site.
 - Long-term considerations. Although AT&T would be interested in a long-term lease arrangement, we would not consider an initial lease term longer than five years. That would allow us to continuously evaluate on a trial basis the relative benefits and disadvantages of a cell tower.

I want to assure you that the Board will not enter into a contract without a substantial endorsement by Cottagers. We are committed to objectively evaluating the pros and cons of the cell tower proposal and to share with you all the facts you need to make an enlightened decision. I encourage each of you to participate in a thoughtful dialogue on this subject. We begin that process with this letter, and hope to continue it with answers to your questions or concerns. You can contact me by email at drallan.lans@verizon.net.

With my best regards,



Dr. Allan M. Lans