

STATUS OF CELL PHONE SERVICE ON THE MOUNTAIN TOP

Information available to 8/16/15.

Following is an update to the Status Report delivered to Cottagers in January 2015. Our information gathering is ongoing, and we will continue to update this paper as new information becomes available as long as the issue of a cell tower on Park property remains an open question. This paper offers no recommendation on a potential Twilight cell tower and is meant to serve only as an information tool.

We have included questions from the January report in order to make clear what information has NOT changed. Where new information alters the answer, the paper has been revised.

We have been following the development of a proposed Verizon Tower to be constructed on the Town Hall property in Tannersville. We had hoped that the tower would be functioning by this point, but it has been delayed. Verizon has now taken an interest in collocating on the proposed AT&T tower. The following information applies to a new proposal, an AT&T/Verizon tower that provides for an additional collocator (total 3) and a Police and Fire radio band.

The following describes initial proposals for the new deal, not a final negotiated arrangement. All details, including height, site, revenue, and appearance remain negotiable or subject to rejection.

Suitor:

Q: What company is proposing to build a cell tower on Twilight Park property?

A: Centerline Communications. The company is "a turnkey service provider to the wireless industry located in Canton, MA". They are acting as agent for AT&T.

Q: Who would own the tower?

A: AT&T.

Q: Who would sign the Lease?

A: AT&T.

Coverage:

Q: What part of Twilight Park would the Twilight Tower signals cover?

A: The signals should be available throughout most of Twilight Park to everyone *who has an AT&T or Verizon account*. There is no guarantee of reception at all cottages, however as a general rule cell service in Twilight and down to Palenville and west along 23A towards Tannersville will be significantly enhanced.

Q: Several people have observed that cell service within the Park already seems to be better this year despite no new tower. Do we know why?

A: We do not have a definitive answer, however small changes in service often happen when transmitters on nearby towers are repositioned or a former signal blockage / structure is removed.

Safety:

Q: Would the Twilight Tower answer the concern about accidents at Kaaterskill Falls?

A: The Police and Fire Band, originally scheduled for installation on the Tannersville Tower would be included on the proposed Twilight Tower. This, together with the repeater network already installed at North and South Lake Park, as well as safety measures such as railings and stairs in the Kaaterskill hiking area, assure a good measure of coverage for emergency services and improvement in hiker safety.

Q: What about radiation from the cell tower? Is there more radiation with three collocators on the tower than with only AT&T?

A: The difference between one and three tenants on the tower is that three gives us low power radiation at three different frequencies, not one. The tower would meet all FCC regulations regarding emissions, as it must in order to comply with its federal license. AT&T is willing to perform pre and post installation emissions tests to ensure the proposed facility is operating within FCC limits.

Q: With the onset of the wooly adelgid and the emerald ash borer, we can expect that in a few years there would be a lot of dead trees on our mountain. What is the record of cell towers with respect to lightning strikes and fires?

A: The tower would be grounded. An additional lightning rod is possible. Fire would not be a material risk of the cell tower.

Q: What about the safety of the cell tower compound. Would it be kid-proof?

A: The cell tower compound would be surrounded by an 8-foot chain link or stockade fence and would be secured by a combination padlock. Only the tower owner/operator and its contractors would have access to the locked compound.

Financial:

Q: Does Twilight Park need a cell tower deal due to any financial problem?

A: The Park is in good financial condition. We rely on careful management and occasional increases in the annual assessment to maintain this position. In an average year, the sale of one or more cottages also helps us meet our budget.

Q: What would make a cell tower deal financially attractive?

A: It might reduce our future assessment levels. The Lease proposed by AT&T/Centerline would generate monthly income for the life of the Lease, and any extensions thereof. The initial contract would be for 10 years with 2 five-year renewal options. Twilight Park would have no "out" except in the case of the Lessee's failure to meet its obligations under the Lease.

The present proposal is for a tower at least 100 feet (ten stories) tall. AT&T/Centerline would prefer 120 feet tall (twelve stories). The tower would house AT&T, Verizon, one

other potential collocator, and the local emergency services radio band. Gross income from this lease would be negotiated. The present proposal offers revenue of approximately \$36,000 per year. Under this scenario, our net income estimates, including consideration for real estate taxes and road maintenance, would be at least \$32,000, or \$350 per cottage per year. AT&T/Centerline's proposal is for annual escalators of 3%.

- Q:** What would be the expected cost of Park staff time needed to service a cell tower contract?
- A:** The Centerline rep states that once a cell site is up and running, the Lessee would access the site 1-2 times per month for normal maintenance and that Centerline would cover all costs of development, including zoning and permitting. TP's only expected ongoing costs would be related to road maintenance.
- Q:** Would our insurance cost increase due to any additional liability connected with the presence of a cell tower on our property?
- A:** No. Our insurance broker has indicated that a cell tower would not impact our insurance expense provided we obtain the typical "Hold Harmless" AT&T/Centerline insurance addendum.
- Q:** Would a cell tower increase or decrease property values in Twilight Park?
- A:** We are not able to provide guidance on this question. Would people buy vacation homes as close as a quarter mile from a sizable utility installation? Would they buy a property that does *not* offer cell phone service? We don't yet know. The tower would be at least 1150 feet from the nearest Twilight cottage (Hirsch) and not be readily visible from any Twilight cottage, especially after trees have leafed out (spring and summer), except, possibly, Zedlovich. It would be visible from 23A although it could be located with a green leafy background to blend into the mountainside.
- Q:** What about the concern that AT&T/Centerline might sell the Lease to another company? What security is there for Twilight Park that would ensure funds adequate to remove a cell tower compound, including related roads, in the event that the company holding the lease defaults?
- A:** AT&T has recently sold a portfolio of its towers to independent public entity Crown Castle and would likely continue to do so. We take comfort that if the tower is sold it would be sold to a company with significant financial wherewithal (Crown enterprise value \$40bn) and we would require such stipulation in the contract. Further, AT&T has advised us that we may be able to include a removal bond within the contract as further future protection. We may not be able to fully mitigate the future risk that our lessee may not have the wherewithal to remove the tower. However, we expect that through a minimum net worth requirement as well as a Removal Bond, we would be able to reduce the risk. Ultimately, contract negotiations would have an impact on the scale of this risk.

Site

Q: Has a potential site been chosen?

A: The proposed Centerline site is not as far uphill as the site discussed in January. The new site is 1150 feet from the nearest Twilight cottage (Hirsch), 1020' from the nearest Sunset cottage. The site remains negotiable. We expect to balloon test this location at the tower height proposed by Centerline (100') prior to the Survey of Cottager Opinion.

Q: What is the size of the proposed compound?

A: According to the Centerline rep, 2500 sq. ft.

Q: What further tree cutting would be required?

A: The top of the tower would be 100 (or 120) feet, about 40(-60) feet above the tree line, so further line of sight tree cutting is not expected.

Appearance

Q: What options would we have regarding the look of the tower?

A: There are a variety of "tree" styles in addition to the standard monopole, which could be painted green. There are also instances in which towers are camouflaged as fire towers, but that might take up a bit more ground space.

Q: Would there be a light at the top of the tower?

A: A light at the top of the tower may be required by the FAA.

Alternatives to the Cell Tower

Q: What happens if Twilight Park rejects the cell tower?

A: There are two broad potential outcomes.

1. The AT&T/Verizon tower doesn't get built and potentially there is a lower total level of cell service at TP, on the Mountain Top and, more certainly, down in the Palenville area.

OR

2. AT&T/Verizon finds an alternative site that may be visible from TP or may be situated close to TP, closer to some Cottagers than is the proposed TP site.

There has been talk of a possible alternative site in Sunset Park. Verizon, has a primary interest in serving Tannersville and Hunter and had seriously considered Sunset in the past before tentatively settling on a site in Tannersville. AT&T, has a primary interest in serving Palenville and appears to have significantly less interest in a Sunset site. Twilight seems to be uniquely positioned to meet both major carriers objectives.

Most of the rest of Twilight Park is bordered by state lands. Two lots on the opposite side of the gorge appear not to be well sited for AT&T's purposes.

Alternative Technologies

Q: What alternative technologies are available to us?

A: Both Verizon and AT&T offer a "Microcell Network Extender", an apparatus that connects to DSL or cable internet service and provides cell phone service within a radius of about 50 feet. It may not help when you are weeding your garden. It is not successful in all locations, and it is not portable.

Some people have had very good luck forwarding cell phone calls to their Twilight landlines just before they arrive in the Park. They route the calls back to the cell phone as they leave.

Historic Registry

Q: What impact would our decision to allow or not allow a cell tower have on protections afforded by being on the National Register of Historic Places?

A: Reprinted from work done by the Cell Tower Committee:

"Twilight Park was listed in the National Register in 2007. New York State's Bureau of Historic Sites is the agency that receives notification of projects sponsored by a federal or state agency and conducts impact studies on behalf of historic sites and districts to insure that project's compliance with relevant historical preservation policies. BHS sees its studies as a service to the project sponsor and conducts them without notification to the historic district/site.

"There is no BHS review process for private developments no matter how "offensive."

"Ironically, being a National Historic District imposes no subsequent restrictions on private owners of properties within the district. They can be altered or sold without limitation. The designation and register listing are recognition by the applicant and government, however, that historic places and their preservation are important - that Twilight is a special place to be preserved. Among the reasons for seeking historic district status was to protect Twilight from cell towers."

"There is a measure of potentially strong protection in the Town of Hunter Cell Tower Law. Section 4 of 2002 Local Law #1 prohibits approval of a telecommunication facility "...within the view shed of a site listed on the State or National Register of Historic Places if the proposed tower would result in a significant impairment of the view from the historic location, as determined by the Planning Board."

It is important to note that what "protection" the State and National Registers of Historic Places confers is not a matter of legal force, but of legally required consultation. The State Office gets a seat at the table when a federal license involving possible damage to the viewscape of a "historic place" is discussed. (A federal license is required to operate a cell tower. Therefore, the State Register would be consulted.) The value of the designation

depends on our vigilant and consistent effort to preserve the integrity of our historic district. The expectation is that a historic place will collaborate with the State Office of Historic Places to protect itself. The "historic" designation will not be removed if Twilight allows the construction of a cell tower, but the presence of a tower will make it more difficult to defend the Park against the potential of unsightly development, built near our front gate to feed the legions of hikers the "Scenic Byway" program is designed to attract.

BOTTOM LINE

Q: What factors might encourage agreeing to place a cell tower on Twilight Park property?

- A:**
1. Annual gross income for the Park would be at least \$36,000.
 2. Better cell service within the Park, on the Mountain Top (including hiking areas), on 23A, and in the Palenville area, as well as potentially improved emergency services radio communication.
 3. TP control of the location of a tower.
 4. Tower distance from the nearest cottage would be no less than 1150' (Twilight), 1020' (Sunset).
 5. The area of AT&T/Centerline ongoing worker and truck presence would be restricted.
 6. The cell tower might be camouflaged as a tree, and may blend into the background mountainside greenery.

Q: What factors might discourage agreeing to place a cell tower on Twilight land?

- A:**
1. There is some potential that the Town, which had previously been working with Verizon on a Tannersville site, may view Twilight's deal as adverse to their revenue stream. To mitigate this potential, we have asked the Town Board for guidance on how to proceed. Ultimately the Town will need to approve our Tower and licensing.
 2. A cell tower on Twilight land would make Twilight Park a communications transmission hub and might attract unwanted scrutiny of our affairs by public agencies.
 3. Development opportunities on the Fourth level may be impacted.
 4. 10 - 20 years (contract length) is a long time. During the period of the Lease, TP would have no out as long as AT&T/Centerline fulfills its obligations under the Lease. The tower compound is a \$1 million investment. Only a default under the contract, such as for non-payment or non-service, would allow TP an out.
 5. Any negative impact of tower construction and operation would be felt more immediately by 3rd Level Cottagers than by Cottagers in other parts of the Park.
 6. A 100-120-foot tower will likely be visible from portions of Route 23A, a "scenic byway". We will confirm this with a balloon test from the indicated location at the height of 100 feet.
 7. There is a potential negative impact on the protection provided by our designation as a Historic Place.