

## **STATUS OF CELL PHONE SERVICE ON THE MOUNTAIN TOP**

Information available to 1/20/15.

The Board would like to share our latest information regarding cell phone service to Twilight Park and factors and recent developments that impact a decision on whether to permit a cell phone tower on Park property. Our information gathering is ongoing, and we will continue to update this Paper, as new information becomes available. This Paper offers no recommendation on a potential Twilight cell tower and is only meant to serve as an information tool.

One development that we will carefully monitor is the approved and proposed Verizon Tower that will be constructed at the Town House. The tower site was recently moved to optimize coverage and extend reach partially down 23a to the Molly Smith parking area and the Kaaterskill hiking area. This newer site should improve TWP Verizon cell coverage. However, we have not as yet reviewed the new coverage map and ultimately we won't have full understanding of the coverage until after the tower is operational. The Hunter Board is hopeful that the Tower will be completed by summer 2015.

We are also pleased to report that the Town Board has been busy this offseason improving safety and communication at the Kaaterskill hiking area. A series of repeater sites have been placed in the North and South Lake Park. This coupled with the Police and Fire band that will be included on the Verizon Tower provides what one Hunter Councilman describes as very good coverage of the hiking and parking areas for both cell phone users and first responders. A safety railing is also being added to the hiking trail.

Note: Absent future collocation on their respective towers, a Verizon tower will improve phone and text service for Verizon customers and, likewise, an AT&T tower will improve service for AT&T customers.

### **Coverage:**

**Q:** What part of Twilight Park would the Tannersville (Verizon) tower cover?

**A:** The current assessment is that the Verizon tower would provide improved service to TWP but we do not yet know the exact coverage levels. One Town Councilman thought that Twilight and Sunset Park would both benefit from the recent change to the proposed Verizon cell location.

**Q:** Would AT&T still want a tower site even after the Verizon tower is completed?

**A:** AT&T would continue to be interested in building a tower on our land, because their principal interest is not Twilight Park or the Horseshoe, but Palenville and east.

**Q:** Is there any part of Twilight Park that an AT&T cell tower would *not* cover?

**A:** AT&T's rep says that the signal "should" be available to everyone in Twilight Park *who has an AT&T account*. He does not guarantee reception at all cottages.

**Safety:**

**Q:** Does the AT&T Tower answer the concern about accidents at Kaaterskill Falls?

**A:** Per the Town Councilman, The Town of Hunter believes they have solved communication issues for emergency services in and around Kaaterskill Falls with the repeater network and the eventual Verizon Tower.

**Q:** What about radiation from the cell tower?

**A:** AT&T's rep states that AT&T adheres to all FCC regulations regarding emissions at all of its facilities, as it must in order to comply with its federal license. We can require emission tests but AT&T would not negotiate a Park-wide guaranteed maximum radiation level.

**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:** AT&T's rep says that 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 AT&T and their contractors would have access to the locked compound.

**Financial:**

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

**A:** No. The Park is in good financial condition.

**Q:** What would make a deal financially attractive?

**A:** It might reduce our future assessment levels. The proposed lease would generate monthly income for the duration of the life of the cell tower. The contract would be for 15-25 years in five-year increments, renewable at AT&T's request.

The gross revenues and net income generated would be dependent on the eventual number of tenants located on the tower as well as the outcome of contract negotiations. We expect that gross revenues would be \$24k - \$48k per annum and that the resulting net income benefit to the Park would be \$20k - \$40k, or \$220 - \$440 per cottage per annum. Our net income estimates include consideration for real estate taxes, road maintenance and the potential retention of a consultant to assist in contract negotiations.

- Q:** What would be the expected cost of Park staff time needed to service a cell tower contract?
- A:** AT&T's rep states that once a cell site is up and running, AT&T would access the site 1-2 times per month for normal maintenance and that AT&T would cover all costs of development, including zoning and permitting. TWP'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 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 close to a sizable utility installation? Would they buy a property that does *not* offer cell phone service? We don't yet know. We do note that the tower would be at least 1000 feet away from the nearest cottage and not be readily visible from any cottage especially when foliage is in bloom (spring and summer).
- Q:** What about the concern that AT&T 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 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 \$38bn) 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 site most recently discussed is uphill from the sites discussed earlier and no less than 1000 feet from the nearest cottage. 1000 feet is described as the approximate distance between the Third and First Levels. The site remains negotiable.
- Q:** The proposed compound is about 70 square feet in size. What amount of cleared area would be required?
- A:** According to the AT&T rep, 5000 sq. ft.

**Q:** What further tree cutting would be required?

**A:** The top of the tower would be 80 feet, about 20 feet above the tree line, so further line of sight tree cutting is not expected. However, "there could be a few obstructions that need to be removed."

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

**A:** There are two broad potential outcomes.

1. The AT&T tower doesn't get built and potentially there is a lower total level of cell service at TWP and more certainly down in the Palenville area. Our service risk can be assessed more fully after completion of the Verizon tower.

OR

2. AT&T finds an alternative site that may be visible from TWP or may be situated close to TWP, closer to some Cottagers than is the proposed TWP site. There is a possible alternative site in Sunset Park. Not long ago, a Sunset Park resident agreed to allow Verizon to erect a cell tower on his land. Verizon abandoned that deal when the Town of Hunter agreed to a location that was better for Verizon's purposes. As someone in Sunset Park has already expressed interest, there is risk that an AT&T tower could be placed there. Interestingly, in the Verizon negotiation, the Sunset Park owner was allowing near total pass through of revenues to the Town of Hunter. His primary interest appeared to be to improve his immediate cell service. We have not had any dialogue with him and cannot opine on his motivation or on his receptivity to an AT&T tower.

**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."

**BOTTOM LINE**

**Q:** What factors might encourage agreement to permitting a cell tower on Twilight Park property?

**A:**

1. Annual income for the Park of \$20k - \$40k or per Cottager from \$220 – \$440 per year.
2. Better cell service within the Park and in the Palenville area.
3. TWP control of the location of a tower.
4. Tower distance from the nearest cottage would be no less than 1000 feet.
5. The area of AT&T ongoing worker and truck presence could be restricted.

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

**A:**

1. The Verizon tower may provide TWP with adequate cell service.
2. A cell tower on Twilight land would make Twilight Park a public utility transmission hub and might attract unwanted scrutiny of our affairs by regulatory or other public agencies.
3. Development opportunities on the Fourth level may be impacted.
4. 15-25 years (contract length) is a long time. During the period of the Lease, we would have no out as long as AT&T fulfills its obligations under the Lease. The tower compound is a \$1 million investment. AT&T requires exit options. We would have none unless AT&T defaults.
5. Any negative impact of tower construction and operation would be felt more immediately by 3<sup>rd</sup> Level Cottagers than by Cottagers in other parts of the Park.