

**MEMORANDUM OF UNDERSTANDING  
FOR THE CONSTRUCTION & OPERATION  
OF A NEW WASTEWATER COLLECTION SYSTEM AND  
SEWAGE TREATMENT PLANT**

**Among**

**THE TOWN OF TUXEDO AND  
THE TOWN OF TUXEDO ON BEHALF OF  
THE HAMLET OF TUXEDO SEWER DISTRICT AND  
THE TUXEDO FARMS SEWER DISTRICT**

**and**

**THE TUXEDO FARMS LOCAL DEVELOPMENT CORPORATION**

**and**

**TUXEDO RESERVE OWNER, L.L.C., INDIVIDUALLY, AND  
ON BEHALF OF THE TUXEDO SEWAGE-WORKS CORP.  
(YET TO BE FORMED)**

This Memorandum of Understanding (the “Agreement”), dated December \_\_, 2014, is made among the Town of Tuxedo, a body corporate and politic constituting a municipal corporation of the State of New York maintaining an office at 1 Temple Drive, Tuxedo, New York 10987, acting on behalf of itself and The Hamlet of Tuxedo Sewer District (the “Hamlet District”) (collectively “Town”); the Tuxedo Farms Local Development Corporation (the “LDC”) maintaining an office at 1 Temple Drive, Tuxedo, New York 10987; and Tuxedo Reserve Owner L.L.C., (“Developer”), maintaining an office for the conduct of business c/o The Related Companies, L.P., 60 Columbus Circle, New York, New York 10023, and the to-be formed Tuxedo Sewage-Works Corp. This Agreement sets forth the terms and conditions under which Developer and its successors and assigns, the Town, and the LDC will construct and operate a new wastewater treatment plant to serve the planned development on Developer’s Southern Tract, the Tuxedo Farms Development (the “Development”), and to serve the Tuxedo Hamlet as required under the Special Permit issued in November 2004 and later amended in November 2010, including appurtenances (the “WWTP”). This Agreement shall be binding upon the Developer, its successors and assigns, the Town, the LDC, the Hamlet District, and the Tuxedo Farms Sewer District and Tuxedo Sewage-Works Corp., both defined herein.

**THE PROPERTY**

That parcel of land owned by the Town and located at the end of Contractor’s Road in Tuxedo, New York, which is partially occupied

by the Town's existing sewage treatment plant, on property identified on the tax map as section 9, lot 16.11 (the "**Property**").

The Town shall lease the Property to the LDC for a term to be initiated upon the commencement of construction of the WWTP on the Property. The lease shall extend to the later of the payment of the bonds used to finance the construction of the WWTP or when the to-be-formed transportation corporation ceases to operate the WWTP. The consideration for such lease shall be \$1.00 per year. A copy of the lease is attached as Exhibit F.

The Town shall retain access to the site to continue to run the existing wastewater treatment plant until such time as the WWTP shall begin to accept sewage from the Hamlet District.

Prior to the commencement of the lease, the Town shall cooperate in good faith with the Developer to identify, engineer, and install a wetland mitigation and restoration project on the Property, or at a location(s) otherwise acceptable to the Army Corps of Engineers ("ACOE") as required, to mitigate for the fill material that has been placed on the Property within a previously delineated ACOE jurisdictional wetland area (the "Wetland Restoration"). A conceptual outline of the Wetland Restoration plan, which is subject to change as required by ACOE, is attached as Exhibit G. Should the Wetland Restoration require site plan or other approvals from the Town Planning Board, the Town Planning Board shall expeditiously process such approval applications in order to implement the Wetland Restoration. The Wetland Restoration shall be at no cost to the Town.

## **THE TRANSCO**

Developer shall petition the Town for its consent to the formation of the to-be-formed Tuxedo Sewage-Works Corp., pursuant to the provisions of the Transportation Corporations Law (the "**TransCo**"). The purpose of the TransCo will be to construct and operate the WWTP to serve the to-be-formed Tuxedo Farms Sewer District that will serve the Development (the "**Farms District**") and the Hamlet District. In addition, the TransCo will be authorized to operate and maintain the wastewater collection system for the Hamlet District (the "**Hamlet Collection System**") and Farms District.

Subject to the approval of the New York State Department of Environmental Conservation ("**NYSDEC**") (such approval had previously been under the jurisdiction of the Orange County Department of Health), the statutorily required environmental review, if any, and the approval of all documents by the attorney for the Town, the Town shall consent to the formation of the TransCo.

The TransCo shall construct and operate the WWTP in compliance with the Transportation Corporations Law until such time that the Town exercises its option, as hereinafter set forth, to assume the operation of the WWTP.

The TransCo's assets shall include, but not be limited to, the permits, easements, and licenses to maintain and operate the WWTP, accumulated operating funds, contracts, accounts receivables and reserves for capital replacements and extraordinary repairs. The stock of the TransCo shall be held in escrow by the Town Clerk to be released to the Town in the event that the Town exercises its option to acquire the TransCo's assets.

In accordance with the terms contained herein, the Town shall contract with the TransCo to operate and maintain the Hamlet Collection System. All costs associated with providing this service shall be allocated to and paid by the Hamlet District through an assessment by the Town on the property in the Hamlet District.

## **THE WWTP**

The LDC shall, through the issuance of bonds, finance the cost and expense for the construction of the WWTP. The repayment of the bonds will be administered by the bond trustee ("**Trustee**"). The cost for demolition and removal of the existing sewage treatment plant is part of the cost of the WWTP.

The LDC shall contract with the TransCo for the construction of the WWTP and for the operation and maintenance of the WWTP in accordance with the State Pollutant Discharge Elimination System ("**SPDES**") permit.

Nothing contained herein shall restrict or prohibit Developer or the TransCo from the recovery of any cost they may incur for the WWTP and the collection system in the Development through the sale of land or by other means. No capital cost for the WWTP or the collection system in the Development shall be borne by the Town or the Hamlet District.

The WWTP shall at full capacity be capable of accommodating all sewage flow from the Development not to exceed 400,000 gallons per day (gpd) and the users and property owners served by, or entitled to be served by, the Hamlet District not to exceed 100,000 gpd. The WWTP (including all phases) shall (i) be designed in accordance with the Wastewater Treatment Plant Engineering Report attached hereto as Exhibit A (the "**Engineering Report**"), and any subsequent revisions as may be approved by the Town and the NYSDEC, in order to (ii) meet NYSDEC standards and

*Recommended Standards for Wastewater Facilities – Great Lakes Upper Mississippi River Board of State Public Health & Environmental Managers (latest revision)* (the “**Design Standards**”), and (iii) constructed in accordance with the final drawings and specifications approved by the Town and the NYSDEC.

In order to minimize the upfront capital expenditures of the LDC and the operating deficits to the Hamlet District and the to-be-formed Farms District, associated with the operations of the WWTP prior to full build out of the Development, the WWTP will be constructed in phases as outlined in the Engineering Report.

The average current metered wastewater flow generated by the Hamlet District is 30,000 gpd. An evaluation of the required capacity to provide wastewater treatment for the remaining undeveloped parcels within the Hamlet District yields a WWTP average daily capacity requirement of 50,000 gpd.

The Town acknowledges that the Hamlet District’s existing sewer collection system can achieve wastewater peak flows up to 100,000 gpd due to well-known infiltration and inflow during storm events. The Town has identified approximately 1,260 LF of existing 8” gravity sewer that is located along the banks of the Ramapo River from the vicinity of the now or former Gulf Oil Corp. property to the existing treatment plant’s influent pump station which has been compromised due to overgrowth of trees and root intrusion.

To address this problem, the Town may obtain all easements and/or rights-of-way, permits, and approvals (collectively “Approvals”) that may be required for the Developer to construct a new gravity sewer line of approximately 1,260 LF on the west side of the railroad tracks between the tracks and the existing structures and shall abandon the existing sewer line in place as represented and limited by the Concept Sketch that is Exhibit B (the “Sewer Line Replacement”). If the Town, at its sole expense, secures the Approvals within 24 months from the date the construction on the WWTP begins, the Developer shall complete the construction of the Sewer Line Replacement within 24 months after the date the Town secured the Approvals. If the Approvals are not obtained within the time prescribed, the Developer would have no obligation to construct the Sewer Line Replacement. In consideration of the investment by Developer in construction of the Sewer Line Replacement, regardless of actual reduction in I/I flows as a result of the line replacement, the Hamlet District allocation shall be reduced to 50,000 gpd and the Developer shall have allocated to it for use or resale the 50,000 gpd of excess capacity within the Town’s existing SPDES permit and the SPDES permit issued for the new WWTP. If there is no actual construction of the Sewer Line Replacement, there is no reduction in the Town’s

capacity.

If, after the above transfer is completed, the needs of the Hamlet District are different than contemplated herein, then the purchase price and capacity available for sale would be determined by the parties at such future date. For 10 years from the date of this agreement, the Town may purchase up to 50,000 gpd of capacity to be used within the Hamlet District, as delineated in 2014, for a price per gallon calculated by dividing the construction costs of the 1,260 LF gravity sewer line by 50,000 gpd.

The WWTP shall be designed for an advanced level of treatment capacity to be achieved by incorporating Membrane Bioreactor (“**MBR**”) technology or other technology that achieves similar effluent standards in the treatment process such that the entire plant is capable of meeting the SPDES permit requirements required by the NYSDEC at the time each phase is proposed and approved by the NYSDEC. The cost of such upgrade for the entire plant to the SPDES requirements shall be borne by the LDC to the extent that funds remain from the initial financing and then by the Developer.

Prior to final completion and pursuant to its contract with the LDC, the TransCo shall be responsible for the demolition and removal of the existing sewage treatment plant in accordance with the NYSDEC approved closure plans.

The collection system in the Development shall also be designed in accordance with the Design Standards, NYSDEC requirements, and submitted to the Town’s Engineers for approval prior to approval by the Town.

**TUXEDO FARMS  
SEWER DISTRICT**

The recently formed Tuxedo Farms Sewer District (herein referenced as the “**Farms District**”) will serve the Developer’s Southern Tract properties.

**DESIGN &  
ENGINEERING**

The TransCo shall provide the engineering required for the permitting and design of all phases of the WWTP. The TransCo shall also provide for the construction of all phases of the WWTP and all required system improvements to serve the Development. Developer will be reimbursed for the expenses it incurs on behalf of the TransCo or LDC. The Town Engineer shall perform all services provided in Transportation Corporations Law § 118, and the Town shall be reimbursed by the LDC through its contract with the

TransCo. Without limiting the foregoing, the LDC shall reimburse the Town for the reasonable and customary expenses incurred in reviewing and monitoring the design of each phase of the WWTP.

For each of the phases of the WWTP, the TransCo shall provide for preparation of an engineering report that describes the proposed treatment processes in sufficient detail as may be reasonably required by the Town's Engineers and submit it to the Town Engineer for review and approval. The TransCo's Engineer shall incorporate the Town's comments as reasonable and appropriate and then resubmit to the Town for approval. At the various stages of design, the TransCo's Engineer shall submit to the Town Engineer drawings and specifications for review to determine consistency with the Engineering Report or Expansion Engineering Reports for future phases and the Design Standards. The Town Engineer agrees to meet with the TransCo's Engineer to discuss any comments as necessary. The TransCo's Engineer shall address the Town Engineer's comments and, upon concurrence that the drawings and specifications are consistent with the Engineering Report(s) and the Design Standards, the Town Engineer will issue an approval letter to the TransCo indicating such (the "**Town Engineer Approval**").

In the event that the TransCo's Engineer and Town Engineer cannot agree with the manner in which the Town's comments have been addressed in the revised drawings and specifications for the WWTP, the dispute shall be submitted for binding arbitration to a third party, independent engineer acceptable to both the Town and the TransCo, a list of whom is attached as Exhibit C or other engineering firm acceptable to the parties.

The TransCo shall prepare the New York State Department of Environmental Conservation SPDES application for (i) a new SPDES permit for construction and operation of the WWTP and the Developer wastewater collection system including written endorsement from the Town and (ii) notification and engineering plans as required in 6 NYCRR Part 750-2.11 for the closure of the existing Hamlet wastewater treatment plant. Subsequent permit applications for expansion of the WWTP shall be submitted to the Town Engineer for review and approval and then submitted to NYSDEC by the TransCo.

Upon receipt of the effluent limitations in the new SPDES permit, the TransCo's Engineer shall prepare and submit 60% drawings and technical specifications to the Town Engineer for review and approval as contemplated by the Transportation Corporations Law.

The TransCo's Engineer shall prepare and submit 100% design drawings and specifications to the Town Engineer for review and approval.

If approval is required by the Town's Architectural Review Board (the "**ARB**"), applicable drawings and specifications shall be submitted for review and approval.

Upon receipt of the Town Engineer Approval, the TransCo's Engineer shall prepare and provide the Town copies of the 100% drawings and specifications to the Town for record purposes.

## **CONSTRUCTION**

Pursuant to its contract with the LDC, the TransCo shall construct the approved WWTP, the performance of which shall be secured in accordance with New York Transportation Corporations Law § 119 as described herein.

As provided in New York Transportation Corporations Law § 119, a performance bond shall be posted by the TransCo for the completion of construction of the WWTP. Additionally, a guaranty in the form of a bond ("**O&M Escrow**") to be held by the Town Attorney for the continued operation and maintenance of the system for a period of five years from the initiation of operations after Final Completion as defined herein shall be provided by the TransCo. The O&M Escrow shall be renewed every five years thereafter until 80% of the units within the Development, or 956 residential units, are sold and certificates of occupancy issued. The value of the bond shall be calculated as the estimated annual cost of operation and maintenance of the WWTP for each of the five years less the estimated revenues received from properties served in the Farms District and the Hamlet District for each of the five years of operation of the WWTP. The cost associated with the performance bond and the O&M Escrow shall be included in the amounts paid to the TransCo by the LDC. The O&M Escrow funds shall be released by the Town Attorney to the Town in the event that the TransCo abandons or discontinues operation and maintenance of the WWTP. Once 80% of the units within the Development, or 956 residential units, are sold and certificates of occupancy issued, the O&M Escrow shall be extinguished at the end of that calendar year.

Construction of the first phase of the WWTP is estimated to be complete within 18 months from the commencement of construction.

All contractors shall meet the insurance requirements shown in Exhibit D and provide certificates of insurance and policy endorsements which name the LDC and the Town as an additional insured.

The TransCo's wastewater design engineer shall provide construction management and inspection services during the construction phase of the project and provide written certifications to the TransCo, the LDC and the Town. As provided in New York Transportation Corporations Law § 118, the Town of Tuxedo will utilize the services of the Engineer for the Town or his representative to periodically monitor the progress of construction during and after the construction of the WWTP and provide a report to the Town. These services will include:

- a) Optional attendance at routine monthly onsite construction meetings;
- b) Review of status reports and other pertinent information submitted by the TransCo or Developer's onsite construction management engineering firm;
- c) Review of as-built construction drawings certified by the Engineer for the TransCo or Developer;
- d) Participation in the development of punch list itemization;
- e) Participation in final inspection(s);
- f) Review of O&M documents and manuals; and
- g) Review of appropriate project close out documents.

Since the WWTP will be operated by the TransCo, the Town will not be providing full-time inspection. During construction, the Town Engineer or his representative will periodically monitor the construction for general conformance with the plans and specifications. No substantial deviations and/or substitutions from the approved plans and specifications shall be performed unless they have been reviewed and approved by the Town Engineer. Substantial deviations and/or substitutions shall be defined as changes from the approved plans and specifications involving equipment, materials of construction, and/or process technology which significantly alter its intended use, hydraulic or organic capacity, treatment efficiency, reliability, or life span. The Town Engineer or his representative will be on site periodically during construction.

**AS-BUILT PLANS**

The TransCo shall provide certified as-built plans to the Town Engineer upon the substantial completion of the new WWTP, in hard copy and electronic format (PDF and CAD). The as-built plans shall include all mechanical, civil/site, electrical, HVAC and structural modifications made during the course of the construction.

**OWNERSHIP OF THE WWTP**

The LDC shall own the WWTP and contract with the TransCo to maintain and operate the WWTP.

The Town shall have the option to acquire all of the stock and assets of the TransCo for \$1.00 upon either the abandonment or discontinuance of maintenance and operation of the sewer system as defined in New York Transportation Corporations Law § 119 or at full build-out of the Developer's project as defined in the Amended & Restated Special Permit issued in November 2010, whichever is sooner. In the event, the TransCo fails to provide the required sewer services, and in accord with its contracts with the LDC, the TransCo would be required to assign its contractual interest in the WWTP to the Town to facilitate the Town's operation of the WWTP. Any transfer to the Town shall be free and clear of all liens and encumbrances save for any outstanding principal and interest as may be or come due on the LDC construction bonds.

The words "discontinuance of maintenance and operation of the Sewer System" shall not mean isolated, single, or non-material failures to meet requirements, but shall mean continuing, repeated and material failures of maintenance operations that result in a reduction in hydraulic or organic capacity, treatment efficiency, and/or reliability. Should the WWTP fail to meet material SPDES permit requirements for three consecutive months after the WWTP has been operational for a year, as determined by the Town, provided that, upon notification of a violation, the TransCo is required to file a response thereto within thirty (30) days or such shorter period if required by NYSDEC, which response demonstrates how the TransCo will remedy the violation, and the failure to correct violations as directed by the Town or DEC within three (3) months. In the event the Town exercises its option, the TransCo shall indemnify and hold harmless the Town from any alleged violations of environmental law or regulation arising out of the operations of the WWTP prior to the date of transfer of the stock and assets from the TransCo to the Town. Should the Town exercise its option due to the abandonment or discontinuance, then Developer and its assignees must negotiate a new operating agreement with the Town in order for Developer to build future phases of the WWTP.

## **CHARGES FOR SEWER SERVICE**

The LDC and Town, on behalf of the Farms District and Hamlet District, shall contract with the TransCo for the collection and treatment of sewage, the operation and maintenance of the WWTP, the operation, maintenance, and repair of the collection system for the Farms District, and, at the Town's election, the operation, maintenance, and repair of the Hamlet Collection System. The terms of each such agreement shall be for a period not greater than ten years.

Town shall continue to operate, maintain, and fund the Hamlet WWTP until the new WWTP is certified by the TransCo's Engineer as operational under the SPDES permit. As of that date, the charges for sewer service for each district shall include respective debt service as outlined herein, operation and maintenance costs for the WWTP, and operation and maintenance costs for each collection system. The amount and method for determining the charges are subject to modification by future agreement.

Any existing debt issued by the Town on behalf of the Hamlet District existing at the execution of this agreement and any debt issued in the future for repair, replacement, or improvements to the infrastructure of the Hamlet District shall be assessed and collected by the Town against the real property located within the Hamlet District on a benefit basis.

Debt service and appurtenant costs of the debt issued for the construction of the WWTP shall be assessed on a benefit basis and collected by the Town against the real property located within the Farms District. The revenue from such assessments shall be used solely for the payment of debt and its appurtenant cost, for no other purpose, and paid over to the LDC to service the debt and its appurtenant costs.

Prior to the operation of the WWTP and annually thereafter, the TransCo shall prepare and submit an operation and maintenance budget ("**O&M Budget**") to the Town. The O&M Budget shall include funding for capital replacements and extraordinary expenses, which will also be separately identify for the WWTP, the Hamlet Collection System, and the Farms District collection system. The O&M Budget shall coordinate with the Town's budget process and include a level of detail at a minimum as provided in Exhibit E. The O&M Budget shall separately identify the costs for (1) the operation and maintenance expenses for the WWTP ("WWTP O&M"), (2) the Hamlet Collection System, and (3) the Farms District collection system. Each succeeding annual budget shall be reconciled to the

actual amounts expended and collected in the prior period separately setting forth any under and over collection for the WWTP O&M, the Hamlet Collection System, and the Farms District collection system. The difference shall be added or subtracted from the amount to be collected in the succeeding budget, as appropriate for each of the sub budgets, so that the TransCo would be made whole for all costs, including any carrying costs that may be incurred as a result of a short-fall. The budget for WWTP, as agreed upon by the Town and the TransCo, shall be used to establish the WWTP O&M charge to each district.

Except for the initial periods as detailed below, the WWTP O&M charge to each sewer district shall be calculated by dividing the annual WWTP O&M Budget by the actual annual flow received by the plant from each district in the prior calendar year.

The Farms District will only be partially developed in the early years of the WWTP's operation. To normalize the charge to the Hamlet District, a reserve of \$320,000 will be established (the "O&M Fund") to fund that portion of the WWTP O&M not assessed on the Districts. Until this fund is depleted, the amount charged and paid by the Hamlet District for its share of the WWTP O&M will be calculated in the first year that the WWTP operates, the Hamlet District will pay 17.7% of the WWTP O&M, which is the Hamlet District's estimated percentage of the flow to the WWTP when Phases 1A & 1B of the Farms District are fully developed. The current estimate of the flow from the Farms District when Phases 1A & 1B are fully developed is 139,000 gpd. In the second through fourth years of operation, the Hamlet District's share of WWTP O&M will be the lower of the amount computed by dividing its measured flow (in gpd) by 139,000 gpd plus the Hamlet District's measured flow or by dividing its measured flow by the total flow treated by the WWTP. After the fourth year or immediately after the O&M Fund is depleted, whichever comes first, the Hamlet District's share of the WWTP O&M shall be calculated as in the immediately preceding paragraph. Any balance remaining in the O&M Fund after the fourth year will be returned to the Developer.

All flow from the Hamlet District will be directed through a flow meter prior to flowing to the WWTP. Metered flows from the Hamlet District to the WWTP shall be recorded automatically by the WWTP Supervisory Control and Data Acquisition (SCADA) system and shall be the basis for the annual charge to the Hamlet District by the TransCo to the Town. The Town shall in turn bill the Hamlet District customers annually, remitting payment to the Trustee for all revenues collected within 30 days of the date of receipt by the Town.

The Town shall include in its assessment for the Hamlet District the Hamlet District's share of the WWTP O&M charges plus all charges incurred by the TransCo directly for operation, maintenance, repair, or replacement of the collection system for the Hamlet District.

The owner(s) of the real property within the Farms District shall, through an annual assessment made by the Town, pay the debt service for the WWTP in addition to O&M charges as outlined herein. The assessment for capital and O&M charges shall be set forth separately on the owner(s)' tax bills. The Town shall pay the Trustee the assessments collected to service the debt within 30 days of the date of receipt by the Town. The Town shall pay the TransCo the balance of this assessment for the portion of the O&M Budget allocated to the Farms District shall be paid within 30 days of the date of receipt by the Town.

If the Town fails to make the required payments on behalf of its improvement districts to the LDC for sewer services, the LDC, in addition to other legal remedies it may have, may cease providing sewer services pursuant to the LDC's contract with the Town.

If the Town exercises its option to acquire the stock and assets of the TransCo, the Town shall assume operation and maintenance costs and responsibilities for the operation and maintenance of the WWTP and the Farms District collection system. The Town shall thereafter assess properties within the Farms District as provided in Article 12 of the Town Law.

**ONGOING WWTP  
FLOW  
MONITORING**

During the moratorium on connections to the Hamlet sewer system, a certificate of occupancy will not be issued for any houses or commercial buildings within either sewer district until such time as the new WWTP is certified as fully functional by the TransCo's Engineer to the NYSDEC. The Developer may obtain building permits for construction within the Farms District at any time after a building permit is issued for the construction of the new WWTP. Thereafter, the Town shall not restrict the ability of Developer, its successors and assigns, from obtaining building permits provided that there exists "**Sufficient Sewer Capacity**" at the WWTP as measured by actual flows at the WWTP plus an adjustment for those units where building permits have been issued, but certificates of occupancy have not yet been issued and are not yet occupied. The adjustment shall be based on the design values incorporated in the approved Engineering Report(s). The Hamlet District shall not exceed the capacities allocated to it herein. Sufficient Sewer Capacity shall be defined as the more restrictive of either (i) the then-current NYSDEC guidelines for required available WWTP capacity or (ii)

20,000 gpd of available SPDES capacity.

**FUTURE WWTP PHASES**

Should Developer, its successors and assigns, wish to obtain building permits for future development within the Development and there is not Sufficient Sewer Capacity, then the TransCo shall prepare the Expansion Engineering Report to initiate the design, engineering, and construction for expansion of the WWTP up to the 500,000 gpd as provided in the special permit.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

TUXEDO RESERVE OWNER LLC

TOWN OF TUXEDO

By: \_\_\_\_\_  
\_\_\_\_\_  
President

By: \_\_\_\_\_  
\_\_\_\_\_  
Town Supervisor

THE TUXEDO FARMS LOCAL DEVELOPMENT CORPORATION

THE HAMLET OF TUXEDO SEWER DISTRICT

By: \_\_\_\_\_  
\_\_\_\_\_  
President

By: \_\_\_\_\_  
\_\_\_\_\_  
Town Supervisor

TUXEDO RESERVE OWNER LLC  
On Behalf of a To-Be-Formed  
Tuxedo Sewage-Works Corp.

By: \_\_\_\_\_  
\_\_\_\_\_  
President

STATE OF NEW YORK            )  
  ss.:  
COUNTY OF                    )

On the \_\_\_\_ day of \_\_\_\_\_, 2014, before me, the undersigned, a notary public in and for said state, personally appeared \_\_\_\_\_, 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 as president of TUXEDO RESERVE OWNER LLC and that by his signature on the instrument, TUXEDO RESERVE OWNER LLC executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK            )  
  ss.:  
COUNTY OF                    )

On the \_\_\_\_ day of \_\_\_\_\_, 2014, before me, the undersigned, a notary public in and for said state, personally appeared \_\_\_\_\_ 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 as Town Supervisor of the Town of Tuxedo and that by his signature on the instrument, the Town of Tuxedo executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK                    )  
  ss.:  
COUNTY OF                            )

On the \_\_\_\_\_ day of \_\_\_\_\_, 2014, before me, the undersigned, a notary public in and for said state, personally appeared \_\_\_\_\_, 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 as president of THE TUXEDO FARMS LOCAL DEVELOPMENT CORPORATION and that by his signature on the instrument, THE TUXEDO FARMS LOCAL DEVELOPMENT CORPORATION executed the instrument.

\_\_\_\_\_  
Notary Public