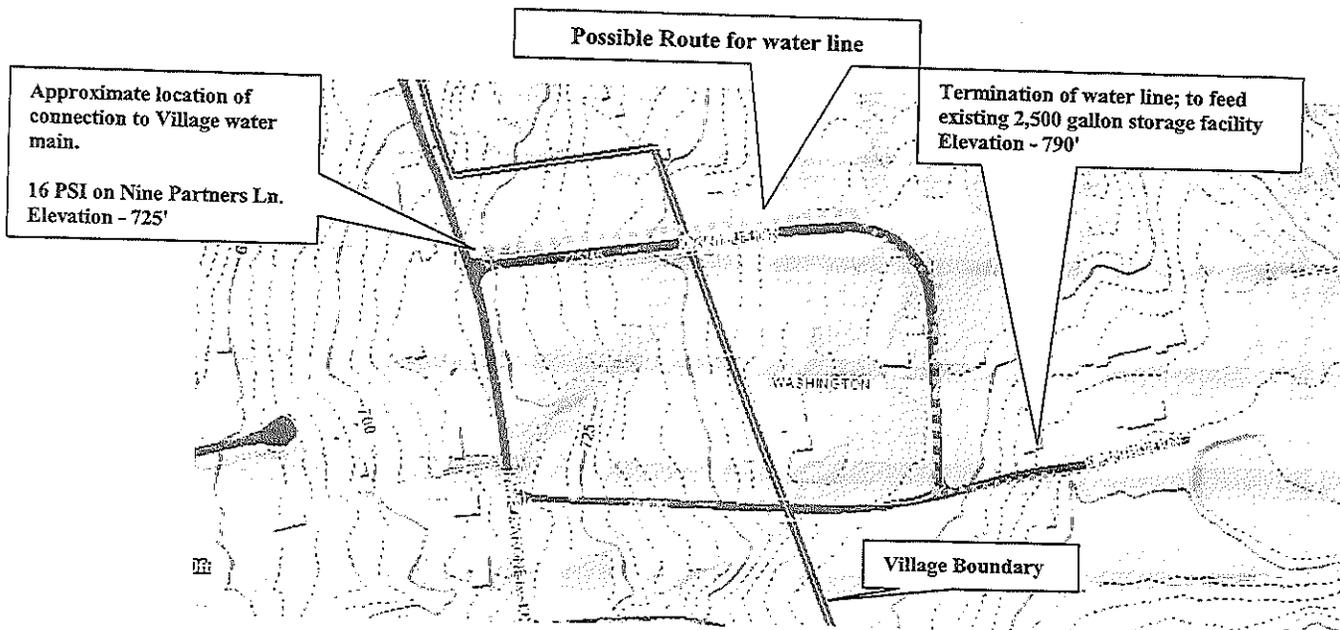


Daniele Rental Property & Quarryland Realty Request for Water Service from the
Village of Millbrook Public Water Supply Water Pressure Analysis



The ground elevation at the intersection of Nine Partners Ln. and Daniele Drive is 725'; the ground elevation at the likely termination point of the proposed service line is 790'. The vertical rise in elevation from the Nine Partners service line connection to the termination point is approximately 65 vertical feet. A rise in elevation of 65' would require about 28 PSI to deliver water to the existing water treatment facility serving the rental properties in question. At the current pressure on Nine Partners Lane of 16 PSI water will not reach the properties in question without the use of a pumping station. As previously noted the use of an atmospheric storage tank is necessary to prevent creating a negative pressure situation in the Village water main. The use of an in-line booster pump is not recommended and should be prohibited. All of the other recommendations for service line connection would still be required:

1. Meter Pit at or near the service connection.
2. Backflow device required at meter pit.
3. Any pumping system will have to draw from an atmospheric storage tank.
4. Maximum flow from Village main ≤ 10 GPM with a peak day use of $< 5,000$ GPD.
5. Establish an escrow fund to cover any & all cost associated with Village consultants.
6. Maintain escrow fund at \$5,000.00 at all times

TOP of Storage 762'

October 12, 2017

Mayor Rodney Brown and Village Board of Trustees. Thank you all for meeting with us.

We are in need for a new water supply and we would like to purchase water from the village.

Due to the number of residents, the Dutchess County Health Department requires us to have 2 wells. For over 5 years now we are operating on a single well and have made numerous attempts at deepening, hydro fracking and drilling a new well all without much success. We've spent tens of thousands of dollars to provide a secondary source of water and we've exhausted our available options. With the recommendation of the Dutchess County Health Dept, the Operations Manager of VRI and our Engineer, we are asking that we tap into the village water supply as a primary or secondary water source for our residents. As a primary source, we could cut back on redundant testing and our costs can go directly to the village as an added revenue stream. The village stands to lose nothing, we will pay for all expenses and assume all liabilities to connect into the village water.

These are some benefits to the village:

Allow 35 families, citizens of Millbrook, consumers, tax payers, voters, employees, elderly, retired and children to continue to live in Millbrook within their means.

Of these 35 families, there are over 30 working adults employed in various positions in and around town. Positions such as school employees, school bus drivers, volunteer firefighters and various service employees for local businesses.

We currently have a dozen school aged children who are all attending the Millbrook Schools

There are 8 retirees who are able to make Millbrook their place of retirement because their rent is affordable. Retirees such as Dennis Hart a longstanding citizen and a retired Deputy Sherriff.

What we're asking will not cost the village anything, but rather will add another revenue stream as we are prepared to pay for the water that we use. We expect to assume all expenses with the hook up, installation and future maintenance of our infrastructure necessary to do this.

- No added expenses to the village
- No added liability to the village
- This will provide additional income for village
- This is a win-win for everyone

We have a unique situation here where we are able to provide affordable living for these 35 families. We provide shelter, we pay school and real estate taxes and maintain the property. It is technically not affordable housing, but it is well below market which affords those less fortunate to live in Millbrook.

On a simple Google search you might find a description of Millbrook as a low-key version of the Hamptons, and one of the most affluent towns in New York State. I hope this status does not cause us to neglect those less affluent, and those less fortunate residents of Millbrook. These residents should not be denied their basic human rights because of their financial status.

With so many benefits and NO negatives, we need to ask ourselves, what does the village stand to gain if these 35 families get displaced?

Sincerely,
Peter Nikic, Property Manager
Quarryland Realty LLC

October 12, 2017 Voucher Totals

Vouchers 16824-16866

| | |
|--------------------------|-------------|
| A - GENERAL FUND | 52,686.03 |
| F - WATER FUND | 410.00 |
| G - SEWER FUND | 1,035.55 |
| H - CAPITAL PROJECTS | 67,687.50 |
| TA - TRUST & AGENCY FUND | 1,864.75 |
| | <hr/> <hr/> |
| | 123,683.83 |

Gaidis Tirums, P.E.
8 Albie Drive
Hyde Park, N.Y. 12538
845-229-5976

September 9, 2017

Mr. Scott Osborne, VRI Plant Manager
Water Department
Village of Millbrook
PO Box 309
Millbrook, NY 12545

Re- Request to hook up to Village Water
Quarryland Realty, LLC
Daniele Rentals
PWS# NY1322771

Dear Mr. Osborne:

We are writing with regard to discussing the possibility of having the 26 apartments owned by Quarryland Realty, LLC and 8 apartments owned by Daniele Rentals hook into the Village of Millbrook central water system.

The properties are located at the end of Daniele Drive off of Nine Partners Lane. The properties are mostly in the Town of Washington with small portions in the Village of Millbrook.

The owner of the apartment complex is Quarryland Realty LLC. care of Mr. Peter Nikic, property manager, 20 Broadway, Valhalla, N.Y. 10595. Daniele Rentals is owned by David Daniele. VRI Environmental Services, Inc. oversees the daily operation of the water system and Mr. David Daniele is in charge of the maintenance.

At present only one well serves as the water supply for the apartments. This well barely meets Dutchess County Department of Health requirements.

At a considerable effort and expense the Quarryland Realty, LLC and Mr. Daniele have made improvements to the water system and made efforts to put another well in service.

In December of 2011 another existing well was deepened to 510'. While having adequate yield, the water has very high chloride and sodium content requiring expensive treatment. Radiological particles were also found in the test results.

In 2015, the storage capacity of the water system was increased from 1000 gallons to almost 2500 gallons. Also a new water softener with two 5 micron filters preceding the water softener were installed.

In June 2017 a new well was drilled to increase the quantity of the water supply. The yield of the well was very good but chemical analysis showed a presence of radiological particles above the Minimum Contamination Level.

Because of required separation from a new well to existing septic systems and the pond, the location of another new well on the property would require it to be quite a distance from the pump house. Besides the cost of drilling and testing of another well this would add considerable cost in pump and piping size to supply water. Also there are no guarantees of the water quality of another new well.

All the work was done with Dutchess County Department of Behavior and Community Health approval.

It is very expensive to treat the water to reduce radiological elements for a community public water system such as ours. Besides the cost of installing a new water softener type system and incorporating it with the existing equipment, the backwash has to be discharged to a holding tank and hauled away by a licensed septic hauler. This may not be economically feasible.

The water usage at the apartments is approximately 3500 gallons per day. The distance from the Village of Millbrook water line on Nine Partners Lane to the pump house at the apartments is approximately 1200'. Because of an elevation difference of 75' between Nine Partners Lane and the apartment complex, a pumping station would probably have to be installed. We realize that there are engineering considerations and expenses associated with the project and are willing to address them to the satisfaction of the Village of Millbrook and the Dutchess County Department of Behavior and Community Health.

We are committed to finding a solution to provide safe drinking water to the 34 families with children at the Quarryland Realty, LLC and Danieles Rentals apartments. Hooking into the Village of Millbrook water system would solve the problem.

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The Dutchess County Department of Health is also concerned about the water supply at the apartment complex and we are certain they would be receptive to having drinking water supplied by the Village of Millbrook water system.

We would appreciate a timely response to our letter and hopefully to schedule a meeting at your convenience to discuss our proposal.

In the meantime, if you wish to contact us , my telephone number is 845-229-5976, Mr. Daniele's is 914-204-9673, and Mr. Nikic's is 914-804-0037.

Thank you very much for your consideration of this matter.

Very truly yours,

G. Tirums, P.E.

Cc. James Napoli, DCHD
Peter Nikic, Quarryland Realty, LLC
David Daniele, Daniele Rentals

To: Village of Millbrook Board
From: Howard Schuman, Former Village of Millbrook Water Committee Member
Date: September 25, 2017

Re: The Quarryland Realty application as it fits into the recommendations of the Village of Millbrook Water Committee.

In 2010 a Village Water Committee was formed in response to a perceived need to protect the Village water supply and to examine how to accomplish this into the future. It initially consisted of Deputy Mayor Stan Morse, Dr. William Augerson, Frank Genova, Steve Lynch, Dr. Emma Rosi-Marshall, Scott Osborne, Howard Schuman, Scott Tumblety, and later joined by Trustee Mike Herzog. Through out, consultants were brought in as needed.

The committee was active for approximately three years, gathering data and exploring options, which included the purchase of additional property to serves as a second water supply source for the Village. Ultimately, due to the complexities and expenses involved in such an undertaking, the committee recommended instead exploring drilling deep wells at the present water supply location in Mabbettsville as a backup source **and concluded that our system's existing aquifer was functional and adequate for existing Village residents for the foreseeable future, provided the Village does not expand new usages to outside its borders**

Approximately a year ago, according to Dutchess County Records, Quarryland Realty LLC, based in Marina Del Ray California, purchased a 26 unit apartment complex located in the Town of Washington. Due diligence would assume they where aware of any ongoing water supply issues on that property prior to purchase. At some point after the fact they decided it would be more expedient and financially beneficial for them to connect to the Village of Millbrook public water supply system. On September 9, 2017, along with Daniele Rentals, another apartment rental business, they submitted a formal request to the Village to that effect. It appears according Dutchess County Parcel Access that both apartment complexes are located in the Town of Washington, not the Village of Millbrook.

Accepting the Quarryland Realty application, which is from a property located in an another municipality, represents what may be referred to as an example of a segmented approval process. In other words looking at pieces in isolation without considering the cumulative effect of each piece on the whole. A continued process of segmented approvals of these types of applications from other municipalities would eventually result in a significant cumulative negative effect on Village water resources.

In light of the Water Committee's prior recommendations and given the presently tenuous condition of the existing Millbrook water supply and the fact that there are yet to be know sections of the village which most likely will need to come online in the future, it becomes a policy question as whether it is prudent for the Village of Millbrook to be helping commercial businesses in another municipality with their business model, by giving away finite Village resources to them.

It follows that since it was Quarryland Realty who made the business decision to buy a property located in the Town of Washington, not the Village of Millbrook, it is Quarryland Realty's responsibility to maintain it's water supply system, not the Village of Millbrook.