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June 10, 2015

By Hand Delivery

Harley E. Doles III, Town Supervisor, and the
Members of the Town Board
Town of Monroe
Town Hall
11 Stage Road
Monroe, New York 10950

Abraham Wieder, Mayor, and the
Members of the Board of Trustees
Village of Kiryas Joel
Village Hall
P.O. Box 566
Monroe, New York 10949

**Re: Comments on the December 23, 2013 Annexation Petition
and on the August 15, 2014 Annexation Petition**

Dear Supervisor Doles, Mayor Wieder, and the Members of the Respective Boards:

This Firm represents United Monroe in connection with the proposed annexation by the Village of Kiryas Joel (the “Village”) of substantial parts of the Town of Monroe (the “Town”) (collectively, the “Annexation”). Subject to a full reservation of its rights, United Monroe submits these comments on both the 507-acre Annexation Petition (“507-acre Petition”) and the 164-acre Annexation Petition (“164-acre Petition”) (collectively, the “Petitions”). Both Petitions fail to comply with Article 17 of the New York General Municipal Law on multiple grounds. Moreover, as United Monroe will amplify in its written comments on the Draft Generic Environmental Impact Statement (“DGEIS”), neither Petition is the overall public interest.¹

¹ These comments specifically pertain to the sufficiency of the Petitions under the General Municipal Law. United Monroe will submit separate written comments on the DGEIS by the June 22, 2015 deadline.

I. 507-ACRE PETITION**A. Unqualified Signatures On Petition**

The 507-acre Petition is invalid in the first instance because it contains multiple unqualified, invalid signatures. See N.Y. Gen. Mun. Law § 705(1)(a). First, there are various corporate signatories which are not valid corporations under the New York State Business Corporation Law, Not-for-Profit Corporation Law or Religious Corporations Law. Konitz Estates, LLC, which is the alleged “owner of record” of S/B/L 1-2-30.7, is not an active (or inactive) Corporation or Business Entity in New York State. Congregation Lanzut of Orange County, the alleged “owner of record” of S/B/L 1-1-47.232, also is not an active (or inactive) Corporation or Business Entity in New York State, and does not appear to be validly formed under the Religious Corporations Law. Similarly, Bias Yisroel Congregation, the alleged “owner of record” of S/B/L 1-2-32.12, is not an active (or inactive) Corporation or Business Entity in New York State, and does not appear to be validly formed under the Religious Corporations Law. Finally, Atkins Brothers, Inc., the alleged “owner of record” of S/B/L 43-1-12, is not an active (or inactive) Corporation or Business Entity in New York State. The signatures of these entities should be stricken and the total assessed valuation of the “Territory proposed to be annexed to the Village” should be reduced by the assessed value of these parcels, *i.e.*, \$209,400.00.

Second, there are three (3) parcels that are jointly owned by two (2) entities but for which only one signature was obtained: S/B/L 1-3-14.21; 1-3-15; and 1-3-40. These properties are owned by both Amazon Realty Associates, Inc., and Burdock Realty Associates, Inc. There is only one signatory, however, signing for each of these three (3) parcels. It is unclear whether the signatory, Elozer Gruber, is signing on behalf of Amazon Realty Associates, signing on behalf of Burdock Realty Associates, or purporting to sign on behalf of both entities. Without a valid signature on behalf of both property owners, these parcels cannot be included in the total assessed valuation of the “Territory proposed to be annexed to the Village.” The total valuation should be reduced by the assessed value of these parcels, *i.e.*, \$145,300.00. The 507-acre Petition must be dismissed for failing to obtain valid qualified signatures.

B. Petition Does Not Describe The Territory To Be Annexed

The 507-acre Petition fails to substantially comply in form or content with multiple provisions of Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d). The 507-acre Petition, for example, is invalid because it does not sufficiently describe the territory to be annexed. See *id.* § 703(1); Bd. of Trustees of Irvington, Westchester Cnty. v. Town Bd. of Greenburgh, Westchester Cnty., 42 A.D.2d 731, 345 N.Y.S.2d 667, 668 (2d Dept. 1973) (upholding dismissal of annexation petition as defective where it did not contain an accurate description of the area sought to be annexed).

First, Exhibit A, which purports to contain the legal description of the territory to be annexed from the Town to the Village, contains the legal description for 164 parcels. Exhibit C, which purports to contain a certificate signed by the Town Assessor responsible for preparing the 2013 Final Town Assessment Roll and certifying that “the lots that Petitioners affirm they own

within the Territory proposed to be annexed have a total assessed valuation that is a majority of the total assessed valuation of all the real property in the Territory proposed to be annexed, according to the 2013 Final Assessment Roll of the Town,” contains 177 parcels. It is wholly unclear which parcels comprise the Territory that Petitioners seek to annex. For this reason alone, the 507-acre Petition should be rejected.

Second, the legal metes and bounds and accompanying parcel list included in Exhibit A do not match the parcel list certified by the Assessor in Exhibit C. The following parcels (by S/B/L number) were included in Exhibit C as part of the “Territory proposed to be annexed to the Village as described in Exhibit A of the Petition and as shown on the assessment roll of the Town for the year 2013,” but **were not included** in Exhibit A:

- 1-1-4.2
- 1-1-4.32
- 1-1-11.21
- 1-1-11.22
- 43-1-1
- 43-1-13
- 43-1-14
- 43-1-15
- 43-3-6
- 43-4-1
- 43-4-3
- 43-4-4
- 43-5-10
- 43-5-11

Again, for this reason alone, the 507-acre Petition should be rejected.

Moreover, there are multiple parcels identified in both Exhibit A and Exhibit C which, based on the legal metes and bounds description in Exhibit A, appear to be incorrectly identified. The following parcels were improperly identified in both Exhibit A and Exhibit C:

- 1-2-1
- 1-2-3.3
- 59-2-1.1
- 56-1-1.1
- 56-1-1.2
- 61-1-1.1
- 61-1-1.2
- 62-1-1.1
- 62-1-1.2
- 63-1-1.1
- 63-1-1.2
- 65-1-27

- 65-1-5
- 65-1-6
- 66-1-1.1
- 66-1-1.2

Finally, S/B/L 43-1-11 was included in Exhibit A but not included in Exhibit C.

The aforementioned inconsistencies render it entirely impossible to discern the limits of the Territory proposed for annexation. The 507-acre Petition must be dismissed for failing to comply with so much of Article 17 of the General Municipal Law as requires a complete and accurate description of the property at issue. See N.Y. Gen. Mun. Law §§ 703(1) & 705(1)(d).

II. 164-ACRE PETITION

A. Unqualified Signatures On Petition

As with the 507-acre Petition, the 164-acre Petition is invalid because it contains multiple unqualified, invalid signatures. See N.Y. Gen. Mun. Law § 705(1)(a).

First, there are corporate signatories which are not valid corporations under the New York State Business Corporation Law, Not-for-Profit Corporation Law or Religious Corporations Law. Upscale 4 Homes Corp., which is the alleged “owner of record” of S/B/L 65-1-32, is not an active (or inactive) Corporation or Business Entity in New York State. The signature of this entity should be stricken and the total assessed valuation of the “Territory proposed to be annexed to the Village” should be reduced by the assessed value of this parcel, *i.e.*, \$20,000.00. It is also unclear what the corporate status of Bakertown Realty Equities is, and whether it owns S/B/L 1-3-1.3. According to the 2014 Final Town Assessment Roll, this parcel is wholly owned by “AES 11-07 Trust, Elimelech Schwartz, Trustee.” In the 164-acre Petition, however, there are two (2) entities listed below “AES 11-07 Trust” – “Bakertown Realty Equities” and “Jacob Bandua Trust.” Neither Bakertown Realty Equities, nor the Jacob Bandua Trust, appears to own S/B/L 1-3-1.3. Their names and signatures should be stricken from the Petition.

Second, again, there are three (3) parcels that are jointly owned by two (2) entities but for which only one signature was obtained: S/B/L 1-3-14.21; 1-3-15; and 1-3-40. These properties are owned by both Amazon Realty Associates, Inc., and Burdock Realty Associates, Inc. There is only one signatory, however, signing for each of these three (3) parcels. It is unclear whether the signatory, Elozer Gruber, is signing on behalf of Amazon Realty Associates, signing on behalf of Burdock Realty Associates, or purporting to sign on behalf of both entities. Without a valid signature on behalf of both property owners, these properties cannot be included in the total assessed valuation of the “Territory proposed to be annexed to the Village.” The total valuation should be reduced by the assessed value of these parcels, *i.e.*, \$145,300.00. The 164-acre Petition must be dismissed for failing to obtain valid qualified signatures.

B. Petition Does Not Describe The Territory To Be Annexed

Also as with the 507-acre Petition, the 164-acre Petition is invalid because it does not sufficiently describe the territory to be annexed. See N.Y. Gen. Mun. Law §§ 703(1) & 705(1)(d).

First, Exhibit A to the 164-acre Petition, which purports to contain the legal description of the territory to be annexed from the Town to the Village, contains the legal description for 72 parcels. Exhibit C to the 164-acre Petition, which purports to contain a certificate signed by the Town Assessor responsible for preparing the 2014 Final Town Assessment Roll and certifying that “the tax lots that petitioners affirm in the Petition that they own within the Territory proposed to be annexed to the Village has [sic] a total assessed valuation that is a majority of the total assessed valuation of all of the Territory described in the Petition which is now situated in the Town and which is sought to be annexed to the Village, as shown on the assessment roll of the Town for the year 2014,” contains 71 parcels.

Second, the legal metes and bounds description and accompanying parcel list included in Exhibit A does not match the parcel list certified by the Assessor in Exhibit C. S/B/L 1-2-1 is included in Exhibit A (Area III) but is not included in Exhibit C. Moreover, Exhibit A lists S/B/L 61-1-1.-1 and 61-1-1.-2 (Area VIII), while Exhibit C lists S/B/L 61-1-1.1 and 61-1-1.2.

Again, the aforementioned inconsistencies render it entirely impossible to discern the limits of the Territory proposed for annexation. As such, the 164-acre Petition, too, must be dismissed for failing to comply with this requirement under the General Municipal Law.

III. BOTH PETITIONS CONTAIN FLAWED FORM AND CONTENT AND WOULD NOT BE IN THE OVERALL PUBLIC INTEREST

Both Petitions must be also dismissed because they both fail to comply with other provisions of Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d). The Annexation of 164 or 507 acres from the Town to the Village would not be in the overall public interest. Either Annexation would bring high density housing, unregulated development and legal noncompliance to the Annexation Area and will cause adverse impacts on both the public and the environment.

A. The Petitions Fail To Comply With The General Municipal Law Because They Are Unconstitutional, And Violating The U.S. Constitution Is Not In The Public Interest

Article 17 of the General Municipal Law must be construed in a manner that would avoid objectionable consequences, such as unconstitutional results. See, e.g., Loretto v. Teleprompter Manhattan CATV Corp., 58 N.Y.2d 143, 459 N.Y.S.2d 743, 747 (1983). Inasmuch as the Petitions would cause an unconstitutional result, they must be dismissed by virtue of such failure to comply with Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d).

As United Monroe has repeatedly pointed out, including in its Letter from United Monroe to the Monroe Town Board, dated May 15, 2014 (“May 15th United Monroe Letter,” annexed hereto as Exhibit “A”), either Annexation would violate the Establishment Clause of the United State Constitution. In particular, the Annexations would constitute an improper delegation of political power based upon religious criteria. The Town would be ceding “important, discretionary governmental powers” to the Village, which the United States Supreme Court has already recognized is a political subdivision whose franchise is determined by a religious test. See Bd. of Educ. of Kiryas Joel Vill. Sch. Dist. v. Grumet, 512 U.S. 687, 114 S. Ct. 2481 (1994).

To state the obvious, municipal action that violates the United States Constitution is not in the public interest. The Petitions’ form and content violate the General Municipal Law because they would cause an unconstitutional result.

B. The Petitions Also Must Be Dismissed Because The Monroe Town Code Standard of Ethics Prohibits “Voluntary Segregation”

Article 17 of the General Municipal Law must also be construed in a manner that would avoid objectionable consequences, such as mischievous or disastrous consequences. See, e.g., N.Y. Stat. § 148. Inasmuch as approving the Petitions would cause Town Board Members to violate the Town Code’s Standard of Ethics, they must be dismissed by virtue of such failure to comply with Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d).

As United Monroe has also previously pointed out, including by Letter to the Monroe Town Board, dated July 15, 2014 (“July 15th United Monroe Letter,” annexed hereto as Exhibit “B”), the Monroe Town Code specifically establishes that causing “voluntary segregation” is not in the public interest. Indeed, the legislative intent to avoid voluntary segregation is so strong that the Town Code establishes that it is an ethical violation for any Town Board Member(s) to act in any way that causes voluntary segregation.²

The Town Code’s Standard of Ethics establishes that no “Town Board member or Town employee of the Town or of any service or other organization chartered by or directly or indirectly sponsored or supported by the Town” can “[d]iscriminate or cause voluntary segregation, directly or indirectly, based upon creed, color, national origin, sex, sexual preference or disability.” (Monroe Town Code § 4-4(J)(1).)

As such, any action by any Town Board Member(s) that promotes the “voluntary segregation” of members of a particular religious group would, accordingly, appear to violate the Town’s Code of Ethics and would expose such Member(s) to the full range of Disciplinary Action contemplated by the Town Code. (See Monroe Town Code § 4-9(B) (“Any Town officer, Town

² Town Board Members who willfully violate the Town’s Standard of Ethics could lose their indemnification rights under the Town Code. (See Monroe Town Code § 8-4 (“The duty to indemnify and save harmless prescribed by this subsection shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the employee.”)).

Board member, Town consultant or Town employee who engages in any action that violates any provision of this code may be warned or reprimanded or suspended or removed from office or employment by the Town Board, pursuant to the provisions of this code, applicable law or by the person or body authorized by law to impose such sanctions.”.)³

Thus, the Town Code clearly establishes that causing voluntary segregation, such as is the specific intent of the Petitions, is not in the overall public interest. The Petitions’ form and content violate the General Municipal Law because they would cause objectionable results.

C. Improper Creation Of “Baroque” Boundaries

The 507-acre Petition, in particular, would improperly result in a highly irregular, jagged border between the Town and the Village. New York Courts have repeatedly “condemned such ‘baroque’ annexations which result in ‘irregular and jagged indentations of the boundaries between the municipalities.’” See, e.g., Common Council of Middletown v. Town Bd. of Wallkill, 143 A.D.2d 215, 532 N.Y.S.2d 17, 19 (2d Dept. 1988) (multiple citations omitted). For this reason alone, the Petitions’ form and content fail to comply with Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d). The Petitions are also not in the overall public interest for this reason.

D. The Village Historic And Consistent Failure To Abide By Zoning, Land Use, And Environmental Laws Is Not In The Public Interest

Article 17 of the General Municipal Law must also be construed in a manner that would avoid objectionable consequences, such as a construction that would sacrifice or prejudice the public interest. See, e.g., N.Y. Stat. § 152. Inasmuch as approving the Petitions would sacrifice, prejudice and otherwise not be in the overall public interest, they must be dismissed by virtue of such failure to comply with Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d).

**1. Kiryas Joel Was Created 40 Years Ago
 Specifically To Avoid The Town’s Zoning Laws**

As Town Supervisor William C. Rogers’ ruling in 1976 on the original petition to incorporate the Village of Kiryas Joel makes clear, the Village was created with the express purpose of avoiding Monroe’s zoning laws. (See Decision on Sufficiency of Petition in the Matter of the Formation of a New Village To be Known as “Kiryas Joel,” Dec. 10, 1976, copy annexed hereto as Exhibit “C.”) In response to the illegal conversion and illegal construction of housing in the subdivision known as Monwood, the Town commenced legal proceedings to compel conformance with its zoning laws. (See id. at 3-4.) “Arduous opposition [was] thrown up” to the Town’s enforcement efforts by Monwood business leaders, who were concerned that the Town’s

³ As the United States Supreme Court has held, “[i]t is undisputed that those who [initially] negotiated the Village [of Kiryas Joel’s] boundaries when applying the general village incorporation statute drew them so as to exclude all but Satmars.” Grumet, 114 S. Ct. at 2489.

zoning laws would interfere with their development strategy. (Id. at 4.) Supervisor Rogers indicated that the residents of the illegal dwellings were unwitting victims of the business leaders’ evasion of the law. (Id.)

Rather than comply with the Town’s zoning laws, the leaders of the Satmar community in Monwood sought to “slip away from the Town’s enforcement program” through the village incorporation procedure under State law. (Id. at 7.) Supervisor Rogers deemed this action to be “almost sinister and surely an abuse of the right of self incorporation.” (Id.)

Supervisor Rogers rued that fact that, unlike your Boards, he could not comment on how the public interest would be affected by the 1976 village incorporation petition. (Id. at 8 (“As much as I would like to deal with the public interest question of this proposal and how I feel that it will endanger an otherwise rural residential neighborhood of Monroe, by law, I cannot.”).) He felt constrained to only pass on the sufficiency of the petition. (Id. at 8-9.) Presciently, Supervisor Rogers predicted “more confrontations as bitter as th[is] one” if the Kiryas Joel community continued to avoid Monroe’s laws:

For the Satmars to believe that they are above or separate from the rules and regulations that Monroe has chosen to live by or try to impose their mores upon the community of Monroe, or to hide behind the self-imposed shade of secrecy or cry out religious persecution when there is none, will only lead to more confrontations as bitter as the one this decision purports to resolve.

(Id. at 9.) History has, unfortunately, validated his concerns.

**2. 40 Years Later, The Village Does Not Comply With
 Applicable State And Federal Environmental And Land Use Laws**

Throughout the Annexation process, it has become clear that the Village still systematically disregards environmental regulations and other laws affecting the public interest, which allows unregulated development and accompanying adverse impacts, including:

- Routine failure to implement required environmental review under the State Environmental Quality Review Act (“SEQRA”);
- Serial violation of basic municipal planning and zoning requirements, including that the Village’s Planning and Zoning Board members do not satisfy the State-required training programs;
- Regular failure to refer land use matters to the Orange County Planning Department, as required by Section 239-m of the New York State General Municipal Law; and

- Repeated violations issues by the New York State Department of Environmental Conservation (“DEC”) and the U.S. Environmental Protection Agency (“EPA”) of applicable environmental protection requirements.

By way of background, in a written request under the State Freedom of Information Law (“FOIL”), dated August 18, 2014, for example, United Monroe requested that the Village provide basic information relating to its planning processes, including copies of all determinations made by any Village agencies under SEQRA, such as positive declarations, negative declarations, conditional negative declarations and/or findings statements. (See FOIL Request to the Village, dated Aug. 18, 2014, annexed hereto as Exhibit “D.”) In response, the Village did not produce *any* determinations made under SEQRA. (See Letter from Javid Afzali, Esq., to Daniel Richmond, Esq., dated Sept. 29, 2014, annexed hereto as Exhibit “E;” Letter from Javid Afzali, Esq., to Daniel Richmond, Esq., dated Nov. 10, 2014, annexed hereto as Exhibit “F;” E-mail from Javid Afzali, Esq., to Krista Yacovone, Esq., dated Nov. 19, 2014, annexed hereto as Exhibit “G.”) Indeed, the Village’s poor track record in implementing SEQRA is well-documented. See Cnty. of Orange v. Vill. of Kiryas Joel, 11 Misc. 3d 1056(A), 815 N.Y.S.2d 494 (Sup. Ct. Orange Cnty. 2005) (“One cannot presume that the requisite ‘hard look’ was taken based on the thickness of the DEIS or because the [agency’s] consultants were highly regarded in their fields.”), aff’d as modified, 44 A.D.3d 765, 844 N.Y.S.2d 57 (2d Dept. 2007). The Village’s history of SEQRA noncompliance is a legitimate line of inquiry where the subject action (i.e., the Annexations) would make the Village responsible for additional SEQRA review in the future. (Cf. N.Y.S. D.E.C. Commissioner’s Policy, “Record of Compliance Enforcement Policy,” at 3 (establishing that “the environmental compliance history of a permit applicant is a relevant consideration regarding qualification for permitting”).) ⁴

United Monroe has also confirmed that the Village does not fully adhere to other critical land use requirements. In its August 18th FOIL request, United Monroe also asked the Village to provide basic information relating to its planning processes, including (i) the identities of the members of the Village Planning Board and Zoning Board; (ii) documents relating to Village Planning Board and Zoning Board Members’ satisfaction of applicable training requirements since January 2012; (iii) all Planning Board and Zoning Board agendas, minutes, and resolutions since January 2012; and (iv) copies of all referrals made to the Orange County Planning Department pursuant to Section 239-m of the New York State General Municipal Law

⁴ Courts will consider an agency’s history of noncompliance with environmental regulations when reviewing the adequacy of any environmental review conducted by that agency. See, e.g., Citizens Advisory Comm. on Private Prisons, Inc. v. U.S. Dept. of Justice, 197 F. Supp. 2d 226, 251 (W.D. Pa. 2001), aff’d, 33 F. App’x 36 (3d Cir. 2002) (“[I]n cases where the agency has already violated [the National Environmental Policy Act], its vow of good faith and objectivity is often viewed with suspicion.”); Nat’l Res. Def. Council, Inc. v. U.S. Army Corps of Eng’rs, 457 F. Supp. 2d 198, 222 n.178 (S.D.N.Y. 2006) (citing Citizens Advisory Comm. on Private Prisons when discussing federal regulations prohibiting agencies from preparing an EIS simply to justify decisions already made, and requiring agencies to show a good faith and objective review of potential environmental impacts of the proposed action). Assessment of the Village’s history of poor environmental stewardship is therefore critical to an analysis of the proposed Annexations.

since January 2012. (See Exhibit D.)⁵ The Village’s response demonstrated that it routinely violates municipal planning and zoning requirements, including that its Planning and Zoning Board members do not satisfy the State-required training programs, and that it never refers land use applications to the Orange County Planning Department, as is required by law. (See Exhibits E-G.)

Furthermore, both DEC and the U.S. Environmental Protection Agency have found repeated violations in the Village of applicable environmental protection requirements. (See Letter from United Monroe to DEC, dated Apr. 4, 2014 (without enclosures), annexed hereto as Exhibit “H.”) These include violations of the Clean Water Act and failure to comply with State permitting requirements during construction activities and operations of its wastewater treatment plant. (See Letter from Daniel Richmond, Esq., to the Honorable Vincent L. Briccetti, dated Nov. 24, 2014, annexed hereto as Exhibit “I;” Letter from Krista Yacovone, Esq., to Robert L. Ewing, dated Dec. 3, 2014, annexed hereto as Exhibit “J;” Letter from Krista Yacovone, Esq., to Patrick Ferracane and Jennifer Zunino-Smith, dated Dec. 16, 2014, annexed hereto as Exhibit “K.”)

The Village’s consistent failure to comply with these basic requirements, which provide municipalities with mechanisms to protect the environment and the community when making land use decisions, will allow for unregulated, high density development that will cause significant harm to the environment and to citizens of Orange County. Absent a functioning planning process, future development could proceed without limitation or concern for the surrounding community. Such development would certainly not be in the public interest. The Petitions’ form and content violate the General Municipal Law because they would cause such objectionable results.

**E. The Content Of The Petitions Is Improper Because
 The Village Is Seeking To Misuse Annexation
To Change Zoning, Which Is Also Not In The Public Interest**

Again, Article 17 of the General Municipal Law must also be construed in a manner that would avoid objectionable consequences, such as mischievous or disastrous consequences. See, e.g., N.Y. Stat. § 148. Inasmuch as the Petitions are being advanced with the aim of improperly rezoning the land at issue, they must be dismissed by virtue of such failure to comply with Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d).

The subject Petitions also constitute an improper effort to avoid complying with the Town’s current zoning because their goal is to rezone the subject land. It is axiomatic, however, that municipalities are not permitted to use annexation to evade current zoning constraints. See, e.g., Bd. of Trustees of Spring Valley v. Town of Ramapo, 264 A.D.2d 519, 694 N.Y.S.2d 712, 714 (2d Dept. 1999) (“Annexation may not be used as a means by which the owner of land in one municipality may escape the effect of that municipality’s local legislation by having the land

⁵ The Village initially did not even acknowledge the request, which is deemed by operation of law to be a constructive denial of the request, and United Monroe was compelled to commence an administrative appeal by letter dated September 15, 2014.

transferred to an adjoining municipality.”); Bd. of Trustees, Vill. of Pomona v. Town of Ramapo, 567 N.Y.S.2d 791, 793, 171 A.D.2d 861, 863 (2d Dept. 1991) (“[T]he Village may not use annexation to subvert the development of an adjoining municipality's property pursuant to a lawfully enacted zoning ordinance.”); Vill. of Skaneateles v. Town of Skaneateles, 115 A.D.2d 282, 496 N.Y.S.2d 185, 186 (4th Dept. 1985) (“We have found no precedent approving the use of annexation as a device by which the owner of land in one municipality may escape the effect of that municipality's local legislation by having the land transferred to an adjoining municipality.”).

Here, it is clear that if either Annexation were allowed, the Village intends to change the zoning applicable to the lands at issue to allow for high density development in the Annexation Area. According to the Village’s Updated Budget Analysis that the Village submitted to the State Environmental Facilities Corporation (“EFC”) in connection with the bonding of the Aqueduct Connection Project (EFC #16906), the Village projected that there would be 8,550 new residential connections and 1,500 new commercial connections by the year 2045. (See Budget Analysis, annexed hereto as Exhibit “L.”) Assuming six (6) people would live in each new residence, this contemplates the addition of 50,000 people.

In response to this analysis, EFC asked if “the growth projections for the Village [in the Budget Analysis could] be viewed as reasonable given that the available space within the Village does not support the long-term projections.” (See Aqueduct Connection Project Business Plan Supplement II, dated Jan. 31, 2014, copy annexed hereto as Exhibit “M.”) In response, the Village advised EFC about the proposed Annexation, and stated that “if indeed annexed into the Village, that opportunity [to rezone or develop the subject properties] exists and *would reasonably accommodate the anticipated growth described in the Business Plan.*” (*Id.* (emphasis added).) In the same paragraph, the Village noted the maximum allowable development under existing Town Zoning, and added that “[t]his does not account, however, for potential rezoning for increased densities.” (*Id.*) As such, not only did the Village make clear to EFC that its business model for the bonding of the aqueduct depended upon increasing the allowable density of the Annexation Area, but it also unambiguously signaled that this increase in density would be sufficient to accommodate the full development projected in the Budget Analysis -- 8,550 new residential connections and 1,500 new commercial connections by the year 2045.

The Village’s representations to EFC obviously conflict with the maxim that municipalities are not permitted to use annexation to evade current zoning constraints. See, e.g., Bd. of Trustees of Spring Valley, 694 N.Y.S.2d at 714. As such, the Village’s effort to avoid the Town’s current zoning requirements is not in the overall public interest. Moreover, for this reason, the Petitions fail to comply with Article 17 of the General Municipal Law. See N.Y. Gen. Mun. Law § 705(1)(d).

F. Finally, The Petitions Are Further Flawed Because There Has Been Absolutely No Showing That Annexation Would Serve The Public Interest

As a map commissioned by the Village itself shows, the natural growth of the Hasidic community could almost certainly be accommodated without annexation. (See “Map of

Hasidic Jewish Land Owners Surrounding Kiryas Joel,” copy annexed hereto as Exhibit “N.”) The Map shows that there are Hasidic-owned properties outside Kiryas Joel totaling approximately 900 acres in Monroe, 1,100 acres in Woodbury and 1,300 acres in Blooming Grove. It would appear that the Hasidic community’s natural growth in the area could be accommodated in these areas under existing zoning.⁶

Conclusion

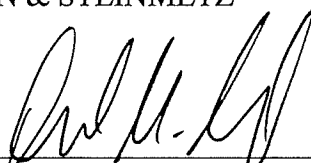
United Monroe wants to make clear that they do not take any issue with the Village residents themselves, many of whom very likely want to see the same changes in transparency and open government within the Village as United Monroe members. United Monroe wishes to work with these citizens to encourage a constitutionally sound, legally compliant path forward.

Please let us know if you have any questions.

Very truly yours,

ZARIN & STEINMETZ

By: _____



Daniel M. Richmond
Krista E. Yacovone

DMR/mth
encs.

cc: United Monroe
Commissioner David Church (via email)
Orange County Department of Planning
Town of Monroe Town Board (via email)
Assemblyman James Skoufis (via email)
Javid Afzali, Esq. (via email)
Counsel to Village of Kiryas Joel Board of Trustees
Steven Barshov, Esq. (via email)
Counsel to Monroe KJ Consulting LLC

⁶ In any event, the DGEIS completely fails to assess this alternative scenario. Again, United Monroe will amplify upon this and other flaws in the DGEIS in writing by the June 22, 2015 deadline.

EXHIBIT A

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KRISTA E. YACOVONE

* ALSO ADMITTED IN D.C.
° ALSO ADMITTED IN CT
^ ALSO ADMITTED IN NJ

MARSHA RUBIN GOLDSTEIN
HELEN COLLIER MAUCH*
LISA F. SMITH*
OF COUNSEL

May 15, 2014

By Facsimile and Federal Express

Harley E. Doles III, Town Supervisor and the
Members of the Town Board
Town of Monroe
Town Hall
11 Stage Road
Monroe, New York 10950

**Re: Constitutional Issues Concerning
Proposed Annexation of Portions of Town;
Proposed Ca. 510 Acre Land Annexation by
Village of Kiryas Joel from Town of Monroe**

Dear Supervisor Doles and Members of the Town Board:

This Firm has been retained by United Monroe to represent its interests, concerns, and objections to the above-referenced Proposed Annexation. While United Monroe has a variety of concerns about the Proposed Annexation, it wishes to advise your Board that the proposal appears fundamentally flawed from the onset. Any Town Board action in favor of the Proposed Annexation would violate the Establishment Clause of the United States Constitution.

The United States Supreme Court's Decision in Board of Education of Kiryas Joel Village School District v. Grument, et al. ("Kiryas Joel"), 512 U.S. 687, 114 S. Ct 2481 (1994) is highly instructive in this regard. In that case, the Supreme Court held that a New York State legislative Act, which created a separate school district solely to serve the Village of Kiryas Joel's "distinctive population" (the "School Act"), violated the Establishment Clause of the First Amendment of the United States Constitution. The Court held that such action was "tantamount to an allocation of political power on a religious criterion and neither presupposes nor requires governmental impartiality toward religion." 114 S. Ct. at 2485.

By way of background, the Establishment Clause “compels the State to pursue a course of ‘neutrality’ toward religion,’ favoring neither one religion over others nor religious adherents collectively over nonadherents.” *Id.* at 2487 (citations omitted). A governmental entity violates the “wholesome neutrality” guaranteed by the Establishment Clause when its actions cause a “‘fusion of governmental and religious functions’ by delegating ‘important, discretionary governmental powers’ to religious bodies, thus impermissibly entangling government and religion.” *Id.* at 2487-88. Based on this premise, the Supreme Court held that the School Act violated the Establishment Clause, because it was “substantially equivalent to defining a political subdivision and hence the qualification for its franchise by a religious test, resulting in a purposeful and forbidden ‘fusion of governmental and religious functions.’” *Id.* at 2490 (citation omitted).

The Supreme Court noted that it was irrelevant that the School Act generically delegated power to “residents of the ‘territory of the Village of Kiryas Joel,’” rather than containing an “express reference to the religious belief of the Satmar community.” *Id.* at 2489. “[T]he context here persuade[d the Court] that [the Act] effectively identifies these recipients of governmental authority by reference to doctrinal adherence, even though it does not do so expressly.” *Id.* As the Court noted, “[i]t is undisputed that those who [initially] negotiated the Village boundaries when applying the general village incorporation statute drew them so as to exclude all but Satmars, and that the New York Legislature was well aware that the village remained exclusively Satmar in 1989 when it adopted [the Act].” *Id.*

In his concurring opinion, Justice Kennedy noted that the Court was not addressing the constitutionality of the Village of Kiryas Joel itself. *Id.* at 2504. Justice Kennedy noted, however, that the process for incorporating a Village was largely procedural, and did not necessitate any discretionary action by the government. *Id.* By contrast, here, the annexation process specifically requires the Town to make a discretionary determination as to whether the proposed annexation is in the over-all public interest. *See* N.Y. Gen’l Muni. L. § 705. A determination by your Board that the annexation is in the public interest would effectively be a decision to cede electoral territory to Kiryas Joel, which would result in a constitutionally suspect delegation of political power to the Village. *See Kiryas Joel*, 114 S. Ct. at 2494 (holding that School Act impermissibly delegated political power “to an electorate defined by common religious belief and practice, in a manner that fails to foreclose religious favoritism”). Such a determination could improperly cause “the forced separation that occurs when the government draws political boundaries on the basis of people’s faith.” *Id.* at 2505 (Kennedy, J., concurring).

In sum, a determination by your Board in favor of annexation would be “tantamount to an allocation of political power on a religious criterion, and impermissibly result in the “‘fusion of governmental and religious functions’ by delegating ‘important, discretionary governmental powers’” to a political subdivision whose franchise is, in effect, determined by a religious test. *See id.* at 2485, 2487-88, 2490 & 2494.

EXHIBIT B

ZARIN & STEINMETZ
ATTORNEYS AT LAW
81 MAIN STREET
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* ALSO ADMITTED IN D.C.
° ALSO ADMITTED IN CT
△ ALSO ADMITTED IN NJ

MARSHA RUBIN GOLDSTEIN
HELEN COLLIER MAUCH[△]
LISA F. SMITH[°]
OF COUNSEL

July 15, 2014

By Facsimile (845) 782-5597 and Federal Express

Harley E. Doles III, Town Supervisor and the
Members of the Town Board
Town of Monroe
Town Hall
11 Stage Road
Monroe, New York 10950

Re: **Ethical Issues Concerning
Proposed Annexation of Portions of Town;
Proposed Approximately 510 Acre Land Annexation by
Village of Kiryas Joel from Town of Monroe**

Dear Supervisor Doles and Members of the Town Board:

As you will recall, this Firm has been retained by United Monroe to represent its interests, concerns, and objections to the above-referenced proposed Annexation of land within the Town of Monroe by the Village of Kiryas Joel (the "Proposed Annexation"). As you know, United Monroe has a variety of concerns about the Proposed Annexation, including that any Town Board action in favor of the Proposed Annexation would violate the Establishment Clause of the United States Constitution.

By this Letter, United Monroe further wishes to caution your Board that any Town Board Members who take action in favor of the Proposed Annexation would be "caus[ing] voluntary segregation," which would appear to be in violation of the Standards of Ethics of the Code of Ethics codified in the Town of Monroe Code.

The Town Code's Standard of Ethics establishes that no "Town Board member or Town employee of the Town or of any service or other organization chartered by or directly or indirectly sponsored or supported by the Town" can "[d]iscriminate or cause voluntary segregation, directly or indirectly, based upon creed, color, national origin, sex, sexual preference or disability." (Town of Monroe Code § 4-4(J)(1).)

Any action by any Town Board Member that promotes the “voluntary segregation” of members of a particular religious group would, accordingly, appear to violate the Town’s Code of Ethics, exposing such Member(s) to the full range of Disciplinary Action contemplated by the Town Code. (See Town of Monroe Code § 4-9(B) (“Any Town officer, Town Board member, Town consultant or Town employee who engages in any action that violates any provision of this code may be warned or reprimanded or suspended or removed from office or employment by the Town Board, pursuant to the provisions of this code, applicable law or by the person or body authorized by law to impose such sanctions.”).)¹ Actions that would “cause voluntary segregation” include, but are not necessarily limited to, the Proposed Resolution in Support of Establishing a New Municipal Government for Kiryas Joel Separate and Independent from the Town of Monroe, which was entertained and rejected by your Board at its July 7, 2014 Meeting (the “Resolution”), as well as the Proposed Annexation itself.

Accordingly, before your Board proceeds to expend substantial municipal funds considering the Proposed Annexation, United Monroe respectfully submits that your Board should carefully consider the ethical implications of this course of action under the Town Code.

We would be pleased to amplify these principles to your Board or to answer any questions your Board may have at a mutually convenient time.

Please let us know if you have any questions.

Very truly yours,

ZARIN & STEINMETZ

By: 
Daniel Richmond

cc: United Monroe
Michael Donnelly, Esq.

¹ As the United States Supreme Court has held, “[i]t is undisputed that those who [initially] negotiated the Village [of Kiryas Joel’s] boundaries when applying the general village incorporation statute drew them so as to exclude all but Satmars.” Board of Education of Kiryas Joel Village School District v. Grument, et al., 512 U.S. 687, 114 S. Ct. 2481, 2489 (1994).

EXHIBIT C

SUPERVISOR, TOWN OF MONROE
ORANGE COUNTY, NEW YORK

-----X
IN RE MATTER OF THE FORMATION OF A NEW
VILLAGE TO BE KNOWN AS

"KIRYAS JOEL"

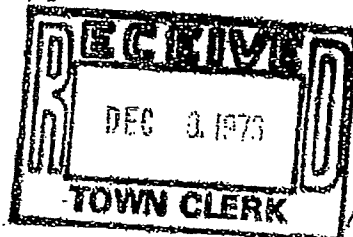
Decision On
Sufficiency
Of Petition

-----X
ROGERS, W.C., Supervisor

There has been presented to the undersigned a petition framed under the provisions of the Village Law of this State to form a new village within the bounds of the Town of Monroe. The name of the village is proposed to be KIRYAS JOEL, which roughly translated means the "Community of Joel".

The petition was presented to me on November 8, 1976. Notice of the required public hearing on that petition was published in the Monroe Gazette on November 11th and November 18th, 1976. A copy of the same Notice was posted in five public places within the territory to be carved out as a new village on November 15, 1976. The public hearing on the petition was held on December 2, 1976 in the basement of Garden Apartment #5 on Quickway Road in Section I of the Monwood Subdivision, the principal area of the village to be. The petition, affidavits of posting and publishing, written objections and the verbatim transcript of the testimony of the hearing are filed herewith.

Before relating to the technical niceties of the petition and the objections thereto, the reasons for this new birth should somehow



be set down so that present and future residents of this 177 year¹ old Town² may know why there is now a third village in their midst. This decision seems to be a most appropriate place to do so.

The traditional elements that underlie the self incorporation of a new municipality are principally the desire and need of residents of a more densely populated area for municipal services which in the past were usually not available at the hands of a Town or County. The desired services were usually water supply, police protection, fire protection and sewer systems. The laws of this State have changed considerably in the last 50 years and all these services are now available through the Town, and in many cases are being supplied by both Town and Counties throughout the State. Thus, the need for self-incorporation into villages has, for the most part, disappeared. A cursory review of State records indicates that there have been only nine villages formed in the entire State since the end of World War II. The area to be included in this new village is now served by a town water and sewer district (privately maintained but subject to Town takeover). It will shortly be incorporated into the operation of Orange County Sewer District #1. It finds police protection from the nearby barracks of the New York State Police. It has fire protection from the Mombasha Fire Company, the same Company that serves the Village of Monroe. Its roads are more than adequately maintained by the Town of Monroe Highway Department and the area is subject to

-2-

1. Monroe was created by act of the Legislature adopted in 1799 under the name "Cheesecocks".

2. The Village of Monroe was incorporated in 1894; the Village of Harriman in 1914.

every Town wide protective ordinance or local law that this Town has enacted. Why then is there a need to incorporate?

The answer to this question lies in the makeup of the individuals who will reside within this new village, should I approve this petition. These residents are and will be all of the Satmar Hasidic persuasion. They dress, worship and live differently from the average Monroe citizen. In and of itself these facts are of no moment. Perhaps the Satmar Hasidic manner of dress, means of worship and way of life are more noble than mine or the rest of Monroe's citizenry. Perhaps not. That is not in issue. However, the Satmar believe in large, close knit family units and sociological groups and are accustomed to a highly dense urban form of living, having for the most part been residents of the Borough of Brooklyn in the City of New York since the end of World War II. Furthermore, the sociological way of life for the Satmar Hasidic is one of distained isolation from the rest of the community. These factors are at the root of their need to incorporate.

When the Satmar leadership chose Monroe as a future place of residence for some of their community, they purchased an already approved but unbuilt upon subdivision that lay within a rural, residential, low-density zoning district set aside for single family homes on 25,000 sq. ft. lots (R-150 district). This district also permitted 80 multiple units of garden apartments. This subdivision was and is still called "Monwood". In constructing the dwellings in Monwood, the Town Board and the Town Building Department felt strongly that many of the dwellings were converted into two and some three family

units and that dwellings under construction were being constructed for two and three units each. We felt these conversions and new construction to be surreptitious and illegal and commenced legal proceedings to compel a reconversion and halt future residential construction until zoning conformance was had. It was a bitter contest opposed at every conceivable step by the Satmars. The legal contest virtually consumed this Town for five months and the cry went up from the other residents of this Town, particularly those of the Northeast area where the Monwood subdivision lies, to enforce our Zoning and Building Codes. The most salient observation was, "If I have to obey the Zoning Law, so do the Satmars".

The Town Board never really understood the reason for the arduous opposition thrown up by the Satmar community to its code enforcement position but felt it lay buried deep in an economic reality that the business leaders could not market the dwellings to their membership unless the cost of maintaining them could be shared by two or three tenants (and their families), whether or not they were related in family groups or were no more than income tenants. Perhaps zoning enforcement might have meant financial ruin for the Monwood business leaders. We felt that those who actually bought or contracted to buy the dwellings had no idea of the Town's zoning restrictions and were unsuspecting objects of the enforcement action.

We also felt that the Town's enforcement position was a rallying point for the Satmar's ingrained feeling of persecution against the Jewish faith. The more the Town sought to enforce, the more it was

accused of persecuting the Hasidic Jews. Of course, nothing could be further from the truth. The Satmars were and are welcomed in Monroe as any new group would be. Their customs were respected and accommodated. They received approval to build a large Synagogue on Forest Road, as well as a private educational complex and religious bath facility. A temporary bath was allowed as were the use of the basements in the garden apartments for schooling pending completion of the permanent facilities. Indeed, there was no problem at all relative to the Satmars in Monroe until the zoning issue. Perhaps this fictitious "persecution" syndrome clouded the real issue more than anything else. It was an erroneous and distinctly unfair invective to toss at the Town's zoning enforcement program.

At any rate the Town's zoning position is well documented in the several law suits that arose in this controversy. (i.e., In the Matter of the Application of Andrew W. Barone; Buchinger v. Moore; Schwartz v. DeAngelis; United Talmudic Association v. Town of Monroe; Monfield Homes, Inc. v. Moore; Hirsch v. Moore; and the several applications decided by the Zoning Board of Appeals.

At the height of the dispute the Satmars presented to me a petition to form a new village of very large dimensions which included many properties and people not of the Satmar belief. The Town Board felt that that attempt at self incorporation was a use of the Village Law to escape the accusing finger of the Town which would at the same time allow the Satmars to enact their own zoning laws designed to suit their economic and sociological needs. The Town realized the strength

of the Satmar move in that the Board was, by law, foreclosed from passing upon the public good - or lack of it - in forming such a village, yet (by a split vote) the Board decided to attack the very law that enabled the formation of a village without a decision by the Town from whence it would be carved upon the public good of such a creation.

At the same time a petition was presented to the Town Board and the Village of Monroe Board of Trustees by the Northeast property owners to annex land around the core of the Monwood subdivision into the Village of Monroe and to do so before action was taken on the new village application, thereby precluding the formation of the new village (a new village cannot be formed within the bounds of another). This led to an attack on that proceeding in United States District Court by means of a "civil rights" suit (Schwartz, etal. v. DeAngelis, etal), and that in turn led to compromise negotiations between the Satmar leadership and the residents of the northeast section of Town.

After strenuous negotiations virtually all the Northeast property owners and the Satmar group agreed to the formation of a new village on a much smaller scale than originally proposed and one that would not include any one who did not want to be within its bounds. It was limited to 320+ acres owned by the Satmar community. The Town Board acquiesced in that agreement and the present petition is an outgrowth of that compromise.

To me, and I believe to the Town Board, the compromise is almost as distasteful as the dispute it settled. The Satmar Hasidim has

taken advantage of an obviously archaic State statute to slip away from the Town's enforcement program without the Town having the slightest possibility of commenting on the inappropriate reasons for formation of the new village. Were the village proposed prior to the accusations or after they were adjudicated, it would be a different matter, but to utilize the self incorporation procedure during the pendency of a vigorously litigated issue in which the Town has accused the Satmar community of serious and flagrant violations of its Zoning Law, is almost sinister and surely an abuse of the right of self incorporation. I do not believe that the authors of the 106 year old Village Law ever dreamed it would be used for this purpose.

Be that as it may, I am left with the hollow provisions of the Village Law which allow me only to review the procedural niceties of the petition itself. Those niceties are politely set forth in Section 2-206 of the Village Law.

At the public hearing objections were raised as to the validity of the corporate signatures. The essence of the objection is that there is no certificate of authenticity evidencing the signators authority to sign and affix the corporate seal. It is true, there is none. It is also true that for the corporation "Monfield Homes, Inc.", owner of the bulk of the land within the territory, the signature itself is virtually illegible and it is not identified by a typewritten or printed name under the signature itself. This is strange in that all the individual signators are so identified. Yet

it is noted that the corporate seal for each corporation is affixed. That in and of itself is a presumption that the signator had authority of the Board of Directors to sign and affix the seal (Section 107 Business Corporation Law). Furthermore, the legislature did not require a certificate of authenticity when specifically setting down how the petition was to be executed (Section 2-202 Village Law). Any such certificate would be surplussage and would evidence proof more than is called for. Cf. Skidmore College v. Cline, 58 Misc. 2d 582, 296 N.Y.S.2d 582 (Sup. Ct., Broome Co., 1969). There was no proof put forth at the hearing to rebut the presumption of Section 107 Business Corporation Law and the dictates of the statute were carried out. I reject this objection.

The balance of the objections put forth at the hearing and outlined in the written objections of Lillian Roberts submitted at that hearing go to the questionable public interest of that proposal. While the boundaries of the new village may be distorted and the property rights of the objectant somewhat endangered, I am foreclosed from entertaining or ruling on such objections, cf. Rose v. Barraud, 61 Misc. 2d 377, 305 N.Y.S.2d 721, aff'd. 36 A.D.2d 1025, 322 N.Y.S.2d 1000. As much as I would like to deal with the public interest question of this proposal and how I feel that it will endanger an otherwise rural residential neighborhood of Monroe, by law, I cannot. I therefore must reject these objections also.

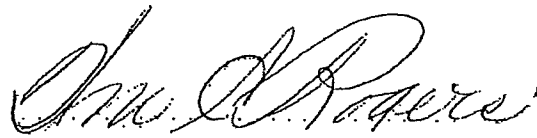
Although not in writing, there were objections put forth at the hearing relating to the failure of the map submitted with the petition to show the Monwood Lake or pond and the corresponding property rights

of the objectants to that Lake or pond. There is no requirement for a boundary map, no less the showing of ponds or other topographical features. A boundary map is optional (Section 2-202 1.C (1) Village Law), if the petition is supported by a metes and bound description. Aside from the fact that it is not in writing, I must reject this objection also. I find the petition to otherwise conform with the requirements of Section 2-202 of the Village Law.

Accordingly, I will approve the petition as I must within the limits of the law I am given to work with. With this approval I hope that a new era of well being will spring up between the Satmar community and the rest of Monroe and that the Satmar will realize that in order to survive at all in Monroe or elsewhere they must begin to adopt to some of the ways of life of the people in whose midst they have chosen to reside. For the Satmars to believe that they are above or separate from the rules and regulations that Monroe has chosen to live by or try to impose their mores upon the community of Monroe, or to hide behind the self-imposed shade of secrecy or cry out religious persecution when there is none, will only lead to more confrontations as bitter as the one this decision purports to resolve. I hope that will not be the case.

The petition is approved and the Town Clerk is hereby directed to begin the procedures for an election within the subject territory, in the manner proscribed by law.

Dated: December 10, 1976
Monroe, New York



WILLIAM C. ROGERS
SUPERVISOR, TOWN OF MONROE

EXHIBIT D

ZARIN & STEINMETZ
ATTORNEYS AT LAW
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* ALSO ADMITTED IN NJ

MARSHA RUBIN GOLDSTEIN
HELEN COLLIER MAUCH*
LISA F. SMITH*
OF COUNSEL

August 18, 2014

By Certified Mail, Return Receipt Requested

Gedalye Szegedin, Village Clerk
Village of Kiryas Joel
Village Hall
P.O. Box 566
Monroe, New York 10949

Re: FOIL Request

Dear Mr. Szegedin:

This is a request pursuant to New York State's Freedom of Information Law, Public Officers Law § 84 et seq. ("FOIL"), on behalf of our client, John Allegro.

Please provide the undersigned with the opportunity to review and, if desired, to copy any and all Records (as that term is defined by FOIL) in the Village of Kiryas Joel's ("Village") possession regarding or relating to the following items:

- (1) Identities of the members of the Village Planning Board;
- (2) All documents relating to Village Planning Board Members' satisfaction of applicable training requirements since January 2012 (see N.Y. Village Law § 7-718(7-a));
- (3) All agendas prepared or issued by the Village Planning Board since January 2012;
- (4) All minutes prepared in connection with Village Planning Board Meetings since January 2012;
- (5) All resolutions issued by the Village Planning Board since January 2012;

- (6) Identities of the members of the Village Zoning Board of Appeals;
- (7) All documents relating to Village Zoning Board of Appeals Members' satisfaction of applicable training requirements since January 2012 (see N.Y. Village Law § 7-712(7-a));
- (8) All agendas prepared or issued by the Village Zoning Board of Appeals since January 2012;
- (9) All minutes prepared in connection with Village Zoning Board of Appeals Meetings since January 2012;
- (10) All resolutions issued by the Village Zoning Board of Appeals since January 2012;
- (11) Copy of the Village comprehensive planning document(s);
- (12) Copy of the Village Zoning Code or Ordinance;
- (13) Copies of all determinations by any Village agency(ies) pursuant to the New York State Environmental Quality Review Act ("SEQRA"), including positive declarations, negative declarations, conditioned negative declarations, and/or findings statements; and
- (14) Copies of all referrals made to the Orange County Planning Department pursuant to Section 239-m of the New York State General Municipal Law since January 2012.

We will, of course, pay all appropriate photocopying costs.

Thank you for your attention to this matter. Please contact me with any questions.

Very truly yours,

ZARIN & STEINMETZ

By: 

Daniel Richmond

cc: John Allegro (via email)
Javid Afzali, Esq. (via email)

EXHIBIT E

WHITEMAN
OSTERMAN
& HANNA LLP

Attorneys at Law
www.woh.com

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Albany, New York 12260
518.487.7600 phone
518.487.7777 fax

Javid Afzali
Associate
518.487.7666 phone
jafzali@woh.com

September 29, 2014

VIA First-Class

Daniel Richmond
Zarin & Steinmetz
81 Main Street
Suite 415
White Plains, New York 10601

Re: RE: FOIL #0818-14-001
DATE RECEIVED: August 18, 2014

Dear Mr. Richmond:

This letter responds to your request for access to records under New York State's Freedom of Information Law (FOIL) dated August 18, 2014 and subsequent Appeal of Denial dated September 15, 2014.

Please find attached documents (total 238 pages) in partial response to your request. Due to the breadth of your request, the Village continues to review its records to identify additional non-exempt responsive documents. The Village will provide you with such documents within a reasonable timeframe given the extensiveness of the request.

If all records are not provided because the records are excepted from disclosure, you will be notified of the reasons and of your right to appeal the determination.

Very truly yours,

Javid Afzali

JA/alw

Encls.

cc: Village of Kiryas Joel

EXHIBIT F

WHITEMAN
OSTERMAN
& HANNA LLP

Attorneys at Law
www.woh.com

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Albany, New York 12260
518.487.7600 phone
518.487.7777 fax

Javid Afzali
Associate
518.487.7666 phone
jafzali@woh.com

November 10, 2014

VIA First-Class

Daniel Richmond
Zarin & Steinmetz
81 Main Street
Suite 415
White Plains, New York 10601

Re: RE: FOIL #0818-14-001
DATE RECEIVED: August 18, 2014

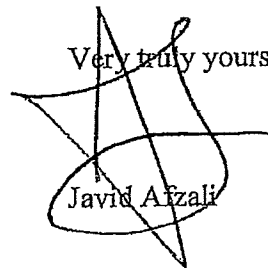
Dear Mr. Richmond:

This letter responds to your request for access to records under New York State's Freedom of Information Law (FOIL) dated August 18, 2014 and subsequent Appeal of Denial dated September 15, 2014.

Please find attached documents in response to your request.

If all records are not provided because the records are excepted from disclosure, you will be notified of the reasons and of your right to appeal the determination.

Very truly yours,



Javid Afzali

JA/alw

Encls.

cc: Village of Kiryas Joel

EXHIBIT G

Krista Yacovone

From: Afzali, Javid <JAfzali@woh.com>
Sent: Wednesday, November 19, 2014 11:08 AM
To: Krista Yacovone
Subject: RE: FOIL Response

Hi Krista,

The Village has not withheld any documents and will not be producing any further records.

Best Regards,
Javid

Javid Afzali, Esq. | Whiteman Osterman & Hanna LLP

Associate

One Commerce Plaza | Albany | New York | 12260

| o | 518.487.7666 | f | 518.487.7777

| e | jafzali@woh.com | w | www.woh.com

From: Krista Yacovone [mailto:kyacovone@zarin-steinmetz.com]
Sent: Monday, November 17, 2014 4:08 PM
To: Afzali, Javid
Cc: Daniel Richmond
Subject: FOIL Response

Dear Javid,

We are in receipt of your letter, dated November 10, 2014, providing Records in response to the FOIL request made to the Village of Kiryas Joel on behalf of United Monroe on August 18, 2014.

Please confirm that you are not producing any further Records. Please also confirm whether any Records are being withheld as exempt from disclosure under FOIL. If this is the case, Public Officers Law Section 89 requires that the Village provide us with a written explanation as to why it is withholding these Records.

Thank you,

Krista

Krista E. Yacovone, Esq.
Associate

 **ZARIN &
STEINMETZ**
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[Add to address book](#) | [Bio](#)

EXHIBIT H

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DAVID J. COOPER
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* ALSO ADMITTED IN D.C.
* ALSO ADMITTED IN CT
^ ALSO ADMITTED IN NJ

MARSHA RUBIN GOLDSTEIN
HELEN COLLIER MAUCHA
LISA F. SMITH*
OF COUNSEL

April 4, 2014

By Overnight Delivery

Robert L. Ewing
Environmental Analyst II
New York State Department of Environmental Conservation
Division of Environmental Permits, 4th Floor
625 Broadway
Albany, NY 12233-1750

Re: Lead Agency Dispute
Proposed Ca. 510 Acre Land Annexation from
Town of Monroe to Village of Kiryas Joel
Town of Monroe, Orange County

Dear Mr. Ewing:

This Firm represents United Monroe, which consists of residents of the Town of Monroe and others who live in the surrounding community. United Monroe respectfully submits this letter to alert the Department to matters that raise serious doubts about the ability of the Village of Kiryas Joel ("Village") to investigate the impacts of the proposed annexation, and its capabilities for providing the most thorough environmental assessment of the proposed annexation. See 6 N.Y.C.R.R. § 617.6(b)(5)(v). Also, serious concerns exist regarding the Village's willingness and ability to undertake an open and transparent process, which encourages meaningful public participation, as the State Environmental Quality Review Act ("SEQRA") requires.

Environmental Concerns

The Village has exhibited repeated failures to fulfill its obligations under SEQRA and other environmental laws, which raise serious concerns about its willingness and ability to conduct a lawful and thorough environmental review in connection with the annexation.

The Appellate Division Second Department, for example, held that the Village Board of Trustees prepared an inadequate environmental impact statement (“EIS”) in connection with its review of a project to construct a public water supply facility and a pipeline to connect the facility to the Catskill Aqueduct. County of Orange v. Vill. of Kiryas Joel, 44 A.D.3d 765, 844 N.Y.S.2d 57, 61-62 (2d Dept. 2007). The Court held that the Village

- Did not “fully identif[y] the nature and extent of all of the wetlands that would be disturbed or affected by the construction of the proposed water pipeline, how those wetlands would be disturbed, and how such disturbance, if any, would affect the salutary flood control, pollution absorption, groundwater recharge, and habitat functions of those wetlands;”

- “[N]either the DEIS nor the FEIS fully identified the location, nature, or extent of the bodies of surface water into which wastewater from the proposed treatment plant would be discharged, and which State classes and standards of quality and purity apply to those water bodies;”

- “Nor did the DEIS or the FEIS adequately identify how much effluent would be discharged into those bodies of water over what periods of time, what the nature of the effluent might be, and what the effect upon those bodies of water are likely to be;”

- “[T]he DEIS and the FEIS were [also] rendered inadequate by the absence of a site-specific and design-specific phase 1–B archaeological study,” and;

- “[T]he DEIS and the FEIS provided no demographic analysis or projections with respect to the effect of the availability of a steady and stable supply of potable water on population movement into or out of the Village.”

Id. For these reasons, the Second Department held that the Village Board of Trustees failed to take the requisite “hard look” under SEQRA.

Moreover, once the Kiryas Joel Wastewater Treatment Plant was constructed and operational, your Department found that it was not in compliance with the State Pollutant Discharge Elimination System (“SPDES”) Permit and Article 17 of the Environmental Conservation Law. By letter dated May 16, 2013, for example, your Department issued a Notice of Violation to the Village Mayor and Trustees. The findings in this letter reflect a serial disregard for environmental conditions. By way of example, the letter notes that the Department had previously noted that certain improvements were required at the Plant to prevent rags and other solids from entering the system, and that the Department had previously required that these improvements be completed by March 1, 2008. More than five (5) years later, however, as of the date of the letter, these improvements still had not been effectuated.

Similarly, by letter dated December 23, 2013, your Department issued a Notice of Violation in connection with the Village's Municipal Separate Storm Water System ("MS4"). The Department noted that an inspection revealed that site disturbance greater than one acre had occurred without compliance with the Department's SPDES General Permit for Stormwater Discharges from Groundwater Activity.

By letter dated November 22, 2013, the United State Environmental Protection Agency ("EPA") also found that "the Village has violated and remains in a state of noncompliance with [Clean Water Act] Section 301, 33 U.S.C. § 1311, for failing to comply with the conditions and limitations of the MS4General Permit. (Copy of EPA's November 22, 2013 letter and the accompanying Administrative Compliance Order (the "ACO") are annexed hereto.) The factual findings in the ACO demonstrate that the Village failed to fulfill fundamental requirements, such as failing to map its storm sewersheds, failing to implement and enforce requirements pertaining to obtaining Construction General Permit ("CGP") coverage, a lack of any procedures for Stormwater Prevention Plan ("SWPP") review, inaccurate records in a variety of areas, and a lack of a training program to ensure that staff receive necessary training.

These repeated and serious violations of environmental laws raise legitimate concerns about the Village's abilities to comprehensively investigate the impacts of the proposed annexation, and to provide an impartial, meaningful environmental assessment of the proposed annexation.

Public Participation Concerns

The ACO also shows that the Village disregarded legal requirements intended to promote public participation, stating that the Village violated its obligation to make its draft Annual Report available to the public for comment. (ACO at 3.). Similarly, as set forth in the annexed letter of John Allegro, the Village has not been responsive to Freedom of Information Law ("FOIL") requests from the public for basic information. Moreover, the Village does not appear to conduct the meetings of its public bodies in a manner designed to promote public participation. As Allegro notes, the Village Planning Board meetings are scheduled for the unusual time of the first Sunday of every month at 9:00 p.m. Moreover, when Allegro went to the location noticed for the Planning Board Meeting at the scheduled time, the doors to the Village offices were locked, and there was no notice of a meeting change or cancellation was posted at the entrance of the building.

The Village's failure to fulfill its obligations to conduct official business in an open and transparent manner raises concerns about its ability to conduct a legitimate SEQRA review, which is intended to be an open process and one that promotes public involvement.

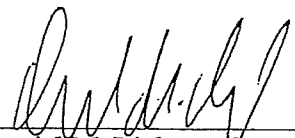
Conclusion

The Village's repeated and serious violations of environmental laws, and its apparent disinclination to involve the public in the public review process or otherwise conduct its affairs in an open and transparent manner, raise legitimate concerns about the Village's abilities to comprehensively investigate the impacts of the proposed annexation and to provide the most thorough environmental assessment of the proposed annexation.

Please let us know if you have any questions.

Respectfully,

ZARIN & STEINMETZ

By: 
Daniel M. Richmond

DMR/mth

enc.

cc: United Monroe
Joe Martens, Commissioner
Lawrence H. Weintraub, NYS DEC Office of General Counsel

EXHIBIT I



ZARIN &
STEINMETZ

David J. Cooper
Jody T. Cross ◊
Marsha Rubln Goldstein
Jeremy E. Kozin
Helen Collier Mauch ▲
Daniel M. Richmond
Brad K. Schwartz
Lisa F. Smith ◊
David S. Steinmetz ■
Krista E. Yacovone
Michael D. Zarin

November 24, 2014

Via ECF Only

Hon. Vincent L. Briccetti
United States Courthouse
300 Quarropas Street, Room 630
White Plains, New York 10601

■ Also admitted in D.C.
◊ Also admitted in CT
▲ Also admitted in NJ

*Re: United States v. Kiryas Joel Poultry Processing Plant, Inc., and
Kiryas Joel Meat Market Corp., No. 14-cv-8458(VB)
Comments on Consent Decree*

Your Honor:

This Firm represents United Monroe, a group committed to transparent and open government, whose members include residents of the Town of Monroe and others who live in the surrounding community. Pursuant to 28 C.F.R. § 50.7, we respectfully submit these comments on the Consent Decree proposed in the above-referenced Action brought by the United States of America against the Kiryas Joel Poultry Processing Plant, Inc. ("KJPPP") and Kiryas Joel Meat Market, Inc., for violations of the Clean Water Act. We write to alert the United States to the apparent relationship between KJPPP and the Village of Kiryas Joel (the "Village" or "Kiryas Joel"), a municipality with a longstanding history of environmental violations and serial failure to follow federal, state and local laws.¹ The penalties imposed by the Consent Decree should be high enough to promote environmental compliance by not only KJPPP, but the Village as well.

The Village Has Close Ties To KJPPP Management

It appears that the Village is the actual impetus behind multiple private entities conducting business within its borders, including KJPPP, and/or that there is a close relationship between the Village and such entities. Upon information and belief, KJPPP's president Mayer Hirsch was a Village Trustee from 1982 to 1990, and Chairman of the Planning and Zoning Boards from 1990 to 1997. During this time, upon information and belief, he was also Chairman of the Kiryas Joel Municipal Local Development Corporation, a quasi-governmental agency, and later served as Vice Chairman of the same corporation. Upon information and belief, he has also served as a Trustee of the United Talmudical Academy, the private school system in the Village, and is now CEO of Burdock Realty Corp., which owns property within an area adjacent to the Village

¹ The Village is located within the Town of Monroe's borders. As such, United Monroe is concerned with governance practices in the municipalities of both Monroe and Kiryas Joel.

that the Village is seeking to annex.² In 1989, upon information and belief, Hirsch incorporated Vaad Hakiryah of Kiryas Joel, Inc., which owns several hundred acres of land in Orange County. The current Mayor of the Village, Abraham Wieder, was apparently president of Vaad Hakiryah in the early 1990s. During his tenure as president, upon information and belief, Wieder was also serving as Deputy Mayor of the Village, as well as president of Congregation Yetev Lev, the local synagogue, and president of Board of the Kiryas Joel Village Union Free School District, a public school district for special education students in the Village. Like Hirsch, upon information and belief, Wieder was also a Trustee of the United Talmudical Academy. Wieder has been Mayor of the Village since 1995.

Given the apparent connection between KJPPP and Village officials, any representations by KJPPP that it will observe the Compliance and Mitigation Requirements, as well as Reporting Requirements, imposed under the Consent Decree must be analyzed in light of the Village's history of noncompliance with federal, state and local laws. Moreover, respectfully, the Court should recognize that it is not enough to compel compliance from KJPPP. The penalty should also be sufficiently high to encourage the Village to obey all environmental laws, as well.

The Village Systemically Fails To Abide By Environmental Laws

The Village has routinely flouted applicable land use and environmental laws and regulations, resulting in a pattern of disregard for the environment and its citizens. Exactly one year ago, the U.S. Environmental Protection Agency found that "the Village has violated and remains in a state of noncompliance with [Clean Water Act] Section 301, 33 U.S.C. § 1311, for failing to comply with the conditions and limitations of the MS4 General Permit." The factual findings in the made in the subsequent Administrative Consent Order demonstrate that the Village failed to fulfill fundamental requirements, such as failing to map its storm sewersheds, failing to implement and enforce requirements pertaining to obtaining coverage under the Construction General Permit, a lack of any procedures for review of Stormwater Pollution Prevention Plans, inaccurate records in a variety of areas, and a lack of a training program to ensure that staff receives necessary training.

Similarly, the Village has continuously failed to comply with state environmental regulations, including the New York State Environmental Quality Review Act ("SEQRA"). See, e.g., Cnty. of Orange v. Vill. of Kiryas Joel, 11 Misc.3d 1056(A), 815 N.Y.S.2d 494 (Sup. Ct. Orange Cnty. 2005) (holding that the Village did not take the requisite "hard look" under SEQRA at the potential adverse environmental impacts of a proposed water pipeline), aff'd as modified, 44 A.D.3d 765, 844 N.Y.S.2d 57 (2d Dept. 2007). Moreover, once the Kiryas Joel Wastewater Treatment Plant was constructed and operational, the New York State Department of Environmental Conservation ("DEC") found that it was in noncompliance with the State Pollutant Discharge Elimination System ("SPDES") Permit and Article 17 of the New York State Environmental Conservation Law. By letter dated May 16, 2013, DEC issued a Notice of

² United Monroe is opposing the Village's action for annexation, which has taken the form of two Petitions for Annexation: one Petition to annex 507 acres of land, and another Petition to annex 164 acres of land. Again indicative of the relationship between the Village and local businesses, the Village is hiding behind Simon Gelb, a developer who is the supposed "petitioner" for annexation.

Violation to the Village Mayor and Board of Trustees. The findings in this letter reflect a serial disregard for environmental conditions. By way of example, the letter states that DEC had previously noted that certain improvements were required at the Plant to prevent rags and other solids from entering the system, and that DEC had previously required these improvements be completed by March 1, 2008. More than five years later, however, as of the date of the DEC letter, these improvements still had not been effectuated.

Courts consider an agency's history of noncompliance with environmental regulations when, for example, reviewing the adequacy of any environmental review. See, e.g., Citizens Advisory Comm. on Private Prisons, Inc. v. U.S. Dept. of Justice, 197 F. Supp. 2d 226, 251 (W.D. Pa. 2001), aff'd, 33 F. App'x 36 (3d Cir. 2002) ("[I]n cases where the agency has already violated [the National Environmental Policy Act], its vow of good faith and objectivity is often viewed with suspicion."); Natural Res. Def. Council, Inc. v. U.S. Army Corps of Eng'rs, 457 F. Supp. 2d 198, 222 n.178 (S.D.N.Y. 2006) (citing Citizens Advisory Comm. on Private Prisons when discussing federal regulations prohibiting agencies from preparing an environmental impact statement simply to justify decisions already made, and requiring agencies to show a good faith and objective review of potential environmental impacts of the proposed action). Here, your Honor, and Plaintiff the United States, should consider the Village's history of poor environmental stewardship before approving and/or entering into a final Consent Decree with KJPPP.

Recent FOIL Response Confirms Village's Continued Failure To Comply With The Law

A recent response from Kiryas Joel to a request made by United Monroe under the New York State Freedom of Information Law ("FOIL") raises further doubts about the Village's ability and willingness to comply with federal, state and local regulations. By letter dated August 18, 2014, United Monroe requested that the Village provide basic information relating to its planning processes pursuant to FOIL, including: (i) the identities of the members of the Village Planning Board and Zoning Board; (ii) documents relating to Village Planning Board and Zoning Board Members' satisfaction of applicable training requirements since January 2012; (iii) all Planning Board and Zoning Board agendas, minutes, and resolutions since January 2012; (iv) copies of all determinations by any Village agency(ies) pursuant to SEQRA; and (v) copies of all referrals made to the Orange County Planning Department pursuant to Section 239-m of the New York State General Municipal Law since January 2012.

This information would reflect Kiryas Joel's compliance with the most basic land use and environmental laws, and should be neither difficult to locate, nor onerous to produce. Kiryas Joel, however, did not even send United Monroe an acknowledgment of its FOIL request, let alone produce any responsive documents. Accordingly, on September 15, 2014, United Monroe appealed Kiryas Joel's constructive denial of its August 18th FOIL request. In response, on September 29, 2014, Kiryas Joel provided a copy of its 1999 Comprehensive Plan and its Village Code. On October 28, 2014, United Monroe sent another letter to Kiryas Joel, inquiring as to whether it would be producing any further documents in response to the August 18th FOIL Request. On November 10, 2014, Kiryas Joel responded by producing all agendas and minutes prepared in connection with Village Planning Board Meetings since January 2012. Kiryas Joel

did not produce any determinations under SEQRA, any documents indicating compliance with New York General Municipal Law 239-m, any showing of Board members' satisfaction of state law requirements, or any relevant documentation from the Zoning Board of Appeals. On November 19, 2014, counsel for Kiryas Joel confirmed that there would be no further documents forthcoming, and that none were being withheld as exempt under FOIL. Thus, Kiryas Joel's limited response to United Monroe's August 18th FOIL request further demonstrates its routine failure to comply with local and state land use and environmental laws.

Conclusion

KJPPP appears to be closely connected with the Village of Kiryas Joel. Accordingly, the penalty imposed by the Court should be sufficient to compel compliance by both KJPPP and the Village.

Please do not hesitate to contact us should you have any questions.

Respectfully submitted,

ZARIN & STEINMETZ

By: 

Daniel M. Richmond (DR2652)

Krista E. Yacovone

cc:

(via overnight mail) Preet Bharara, Esq.
United States Attorney for the Southern District of New York
Tomoko Onozawa, Esq.
Assistant U.S. Attorney, Southern District of New York
Ellen Mahan, Esq.
Deputy Section Chief, Environmental Enforcement Section, Environment
and Natural Resources Division, U.S. Dep't of Justice
Eric Schaaf, Esq.
Regional Counsel, U.S. Environmental Protection Agency, Region 2
Edward Scarvalone, Esq.
Doar Rieck Kaley & Mack
Mayer Hirsh
President, Kiryas Joel Meat Market, Inc.
Chaim Oberlander
Vice President, Kiryas Joel Poultry Processing Plant, Inc.
John Allegro
United Monroe

EXHIBIT J



David J. Cooper
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Krista E. Yacovone
Michael D. Zarin

◊ Also admitted in D.C.
◊ Also admitted in CT
▲ Also admitted in NJ

December 3, 2014

Via Overnight Mail

Robert L. Ewing
Environmental Analyst II
New York State Department of Environmental Conservation
Division of Environmental Permits, 4th Floor
625 Broadway
Albany, NY 12233-1750

*Re: Lead Agency Dispute
Proposed Land Annexation from
Town of Monroe to Village of Kiryas Joel*

Dear Mr. Ewing:

As you know, this Firm represents United Monroe, a group of concerned residents committed to transparent and open government. Its members include residents of the Town of Monroe (the "Town") and others who live in the surrounding community. United Monroe submits this letter in connection with the Lead Agency Dispute that remains pending before your Department regarding the proposed annexation of 507 acres of land by the Village of Kiryas Joel ("Kiryas Joel" or the "Village") from the Town. Kiryas Joel has, once again, failed to abide by environmental laws and regulations, further demonstrating that it is unfit to serve as Lead Agency for the annexation.

By letter dated November 7, 2014, your Department issued a Notice of Violation ("NOV") to the Village in connection with a recent "Unsatisfactory" rating at Kiryas Joel's municipal Wastewater Treatment Plant following a Comprehensive Annual Compliance Inspection. (A copy of the NOV and accompanying Municipal Wastewater Facility Inspection Report is annexed hereto.) The NOV noted that Kiryas Joel is currently operating its Wastewater Treatment Plant without a valid SPDES Permit, and has been doing so since July 31, 2014. The NOV also requested that the Village submit a corrective action plan by December 1, 2014, to remediate certain deficiencies at the Plant, including: (i) solid handling problems as a result of the

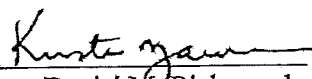
pump house's broken mechanical screen, which has been out of service since June 1, 2014; (ii) incorrect calculations of reported discharge values in the May 2014 Discharge Monitoring Report; (iii) failure to produce the April 2014 laboratory reports; and (iv) failure to correct other deficiencies at the Plant cited in the Department's last inspection letter, dated August 26, 2013.

In light of this information, respectfully, United Monroe reiterates its position that it would be improper and irresponsible to allow Kiryas Joel to serve as Lead Agency for the annexation.

Please feel free to contact us should you have any questions.

Respectfully submitted,

ZARIN & STEINMETZ

By: 
Daniel M. Richmond
Krista E. Yacovone

Encl.

cc: John Allegro (via email)
Emily Convers (via email)

New York State Department of Environmental Conservation
Division of Water, Region 3
100 Hillside Avenue • Suite 1W, White Plains, New York 10603-2860
Phone: (914) 428-2505 • FAX: (914) 428-0323
Website: www.dec.state.ny.us



Joe Martens
Commissioner

November 7, 2014

Mayor and Village Trustees
Village of Kiryas Joel
P. O. Box 566
51 Forest Road
Monroe, NY 10950

Re: Annual Compliance Inspection – Notice of Violation
Kiryas Joel Wastewater Treatment Plant
SPDES Permit No.: NY0250520
Order on Consent: Case No. R3-20080229-14, R3-20080229-14-A15, R3-20030930-124

Dear Village Officials:

On September 17, 2014, a compliance inspection of the above referenced facility was performed for the purpose of evaluating compliance with the State Pollutant Discharge Elimination System (SPDES) Permit and Article 17 of the Environmental Conservation Law. Please refer to the attached copy of the inspection report for detailed information and note the unsatisfactory rating.

The mechanical screen at the pump station has been out of service since June 1, 2014 and as a result problems with solid handling still persist at the wastewater treatment plant. Please submit to the Department a corrective action plan and schedule for repair or/and replacement of the mechanical screen. In addition some of the issues noted in the last inspection letter dated August 26, 2013, have not been satisfactorily addressed. Please refer to the inspection report for detailed information on the deficiencies at the wastewater treatment plant. According to 6 NYCRR Part 750-2.8, the permittee shall at all times, properly operate and maintain all disposal facilities which are installed or used by the permittee to achieve compliance with the conditions of the permit.

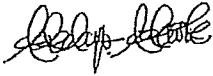
The reported value for Phosphorus on the May 2014 Discharge Monitoring Report (DMR) was not correctly calculated. Recompute the monthly average from the laboratory report results and submit an amended DMR to the Department. The April 2014 laboratory reports were also not available for review. Please ensure that adequate provision is made for access to records that must be kept under the conditions of the SPDES permit during compliance inspection and within a reasonable time.

The SPDES permit for this facility expired on July 31, 2014 and therefore, the facility has been operating without a SPDES permit. This is a violation of Article 17 of the NYS Environmental Conservation Law which states it shall be unlawful to discharge pollutants to the water of the state from any outlet or point source without a SPDES Permit or in a manner other than as prescribed by such permit.

Please provide the Department with a corrective action plan to correct the aforementioned deficiencies by December 1, 2014.

Your cooperation in operating and maintaining this facility, complying with your SPDES Permit and the protection of New York's waters is appreciated. Should you have any questions, please contact me at (914) 428-2505, Ext 365.

Very truly yours,



Adedayo Adewole, P.E.
Environmental Engineer 1

cc: Shohreh Karimipour, P.E., Regional Water Engineer
Manju Cherian, P.E. NYSDEC White Plains
Carol Krebs, Esq., Assistant Regional Attorney



NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF WATER
MUNICIPAL WASTEWATER FACILITY INSPECTION REPORT - COMPREHENSIVE (Part I)

Purpose of Inspection Comprehensive		DEC Region 3	Date of Inspection 09/17/14
SPDES No. NY0250520	Facility Name (V) Kiryas Joel WWTP	Location (C,T,V) ((V) Kiryas Joel)	
County Orange	Name of Inspector Adedayo Adewole	Part II Attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Summary Rating: Unsatisfactory			
Weather Conditions: Sunny, 60s			
Rating Codes: S = Satisfactory U = Unsatisfactory M = Marginal NI = Not Inspected NA = Not Applicable			
Items	Rating	Comments (Note units out of operation/outstanding operation/etc)	
A. General			
1. Buildings/Grounds/Housekeeping	M	Hoses to RBC influent from thickener overflow/ sand filter backwash	
2. Flow Metering	S	Calibrated 07/14	
3. Stand-by Power	S	Monthly Test	
4. Alarm Systems	S		
5. Odors/Odor Control	S		
6. Influent Impact on Operations	M	Rags	
7. Preventive Maintenance	U	see comments B2, B4-B6, C2	
8. Safety	M	Accessibility to clarifiers and thickeners hampered by railings.	
B. Preliminary/Primary			
1. Influent Pumps	NA		
2. Bar Screen/Comminutor	M		
3. Disposal of Grit/Screenings	S		
4. Grit Removal	NA		
5. Settling Tanks	U	Broken Skimmer system. Weir Fouling. Short-Circuiting.	
6. Scum/Sludge Removal	U	Excessive scum /rag build up	
7. Effluent	M	Scum in effluent weirs.	
8.			
C. Secondary/Tertiary			
1. RBC	S		
2. Secondary Clarifiers	U	excessive solids in effluent weirs	
3. Sand Filters	S		
4. Post Aeration	S		
5.			
6.			
7.			
8.			
D. Effluent			
1. Disinfection	S		
2. Effluent Condition	S		
3. Receiving Water Condition	S		
4.			
E. Sludge Handling/Disposal			
1. Digesters	NA		
2. Sludge Pumps	M	One primary pump is oos and one secondary pump needs repair.	
3. Sludge Dewatering	NA		
4. Sludge Disposal	S		
5. Sludge Thickener	U	Weir Fouling, Short-Circuiting, Excessive scum.	
Signature of Inspector:		Title: Environmental Engineer I	Date: 09/17/14
Name of Facility Representative: Ed Grogan		Title: Operator	Date: 09/17/14

MUNICIPAL WASTEWATER FACILITY INSPECTION REPORT - COMPREHENSIVE (Part II)

Facility Name	SPDES Number	Comments
(V) Kiryas Joel WWTP	NY0250520	
<p>A. Collection System</p> <p>(1) <u>100</u> % Separate _____ % Combined __Yes __No <input checked="" type="checkbox"/> N/A</p> <p>(2) Did sewer overflows occur upstream of the plant in the past year? __Yes __No <input checked="" type="checkbox"/> N/A</p> <p>(3) Reason for overflow(s). No information available. OCSD #1 keeps records. __Yes __No <input checked="" type="checkbox"/> N/A</p> <p>(4) Was overflow sewage chlorinated? __Yes __No <input checked="" type="checkbox"/> N/A</p> <p>(5) Were there any unpermitted overflows/bypasses? __Yes __No <input checked="" type="checkbox"/> N/A</p> <p>(6) Were appropriate agencies notified promptly, when required, of each overflow? __Yes __No <input checked="" type="checkbox"/> N/A</p> <p>(7) Is the capability for bypass designed into the plant? If so, list units which can be bypassed. __Yes __No <input checked="" type="checkbox"/> N/A</p> <p>(8) Does sewage by-pass the plant? Define conditions under which bypass occurs (e.g. what flow): Diverson of flow to OCSD #1 Harriman WWTP. Bypass frequency (times per year): _____ Average duration of bypass (hours): _____</p> <p>(9) Infiltration/Inflow problems, e.g., is sewage ordinance enforced with respect to illegal stormwater connections? Explain as needed (include reference to corrective action or lack thereof). __Yes <input checked="" type="checkbox"/> No __N/A</p> <p>(10) Is there a BMP/Wet Weather Operations Plan? __Yes <input checked="" type="checkbox"/> No __N/A</p> <p>(11) Number of pump stations in system: <u>1</u> Number inspected this inspection: <u>1</u> Comments (consider access, ventilation, lighting, emergency power, safety, etc): Pump Station - Accessible, Standby Generator, mechanical screen. The mechanical screen has been out of service since June 1, 2014.</p>		
<p>B. Industrial Waste</p> <p>(1) Are industrial waste loadings causing problems at this facility? Explain as needed (describe nature of problem an extent and adequacy of measures to address the problem): __Yes <input checked="" type="checkbox"/> No __N/A</p> <p>(2) Is there a sewer use ordinance? <input checked="" type="checkbox"/> Yes __No __N/A Date: _____ OCSD #1 Based on Model: _____ <input checked="" type="checkbox"/> Yes __No __N/A Is it being enforced to control Industrial Waste? __Yes <input checked="" type="checkbox"/> No __N/A</p> <p>(3) Does this facility accept septage? __Yes <input checked="" type="checkbox"/> No __N/A How much? How is it introduced?</p>		

C. Laboratory Information

(1) Is the permittee using an ELAP certified laboratory? Yes No N/A
 Details:

(2) Is a commercial laboratory used? Yes No N/A
 Lab Name: Environmental Labworks

Lab Address: P O Box 733, Malboro, NY 12542

(3) Pertaining to SPDES Self-Monitoring:

(a) Does the permittee have a written sampling plan? Yes No N/A
 If yes, are they following their plan? Yes No N/A

(b) Is testing done for all parameters at required frequency and punctually reported? Yes No N/A

(c) Do sampling techniques meet requirements and intent of permit? Yes No N/A

(d) Are EPA-approved procedures used? Yes No N/A

(e) Is calibration and maintenance of instrumentation and equipment satisfactory? Yes No N/A

(f) Is quality control used? (Spiked/duplicate samples) Yes No N/A

(g) Should sampling frequencies/types be modified? Yes No N/A
 If yes, please explain:

(h) Are lab records satisfactory? Yes No N/A

(i) Is a minimum of 3 years data kept? Yes No N/A

(4) Pertaining to Process Control:

(a) Is testing performed for all necessary parameters? Yes No N/A

(b) Is testing performed at necessary frequencies? Yes No N/A

(c) Are procedures technically sound? Yes No N/A

(d) Is sampling adequate? Yes No N/A

Activated Sludge Facility:

(e) Does the facility operator test for the following:

MLSS? Yes No N/A

Dissolved Oxygen? Yes No N/A

Settleability? Yes No N/A

Microscopic Analysis of Sludge? Yes No N/A

Final Clarifier Sludge Blanket Depth? Yes No N/A

Process Control "Target Values"? Yes No N/A

(f) Does the facility operator calculate the following process control parameters:

MCRT? Yes No N/A

Sludge Age? Yes No N/A

(g) Is the testing applied towards process control adjustments? Yes No N/A

(h) What approach (if any) is used to determine changes in:
 Sludge Age?
 NA

Waste Sludge Flow?
 NA

(i) Was laboratory information used to prepare the DMR and Monthly Operating Report properly? Yes No N/A

(5) Explanation as needed for any of the above:

D. Personnel Information

(1) Is staffing and training adequate? (Consider all aspects, including management/supervision, operations, laboratory, maintenance, safety, availability of training, development of staff, etc). Yes No N/A

(2) Certified Operators:

Chief Operator - Name, Certificate Number, Grade, Renewal Date:
 Mike Tremper 8015 4A 07/01/2015

Assistant Operator - Name, Certificate Number, Grade, Renewal Date:

Ed Grogan 11335 3 11/01/2015
 Ed Alexander 12647 3 09/08/2017

(3) Is operational staff certified at the appropriate level(s)? Yes No N/A
 Explain if needed:

(4) Do facility operators have renewal certification and/or training records? Yes No N/A

(5) Plant Classification: _____

(6) Plant Score: _____

(7) Explain as needed for any of the above:

E. Additional Information

(1) Is treatment facility properly operated and maintained? Yes No N/A
 Details: See Section F, Inspector's Comments.

(2) Check Adequate/Inadequate as appropriate:

- (a) Preventive maintenance schedules exist and are followed? Adequate Inadequate
- (b) Records are kept for maintenance, repairs and replacement? Adequate Inadequate
- (c) Spare parts inventory is maintained? Adequate Inadequate
- (d) O&M Manual exists and is available? Adequate Inadequate
- (e) O&M Manual kept up-to-date? Adequate Inadequate
- (f) As-built plans and specifications exist and are available? Adequate Inadequate
- (g) Manufacturers' O&M specifications exist and are available? Adequate Inadequate
- (h) Other records kept as needed (e.g. flow recorder charts)? Adequate Inadequate
- (i) Alarm system for power or equipment failures is properly maintained and tested? Adequate Inadequate
- (j) Standby power system exists and is routinely tested? Adequate Inadequate

(3) Current copy of Part I and Part II of SPDES permit on premises? Yes No N/A

(4) Has facility been subject of complaints (odors, others)? Yes No N/A
 If yes, describe:
 The SPDES permit expired on 07/31/14.

(5) Is sludge disposal satisfactory and are required permits in force? Yes No N/A

(a) Name and location of sludge disposal site (and/or name and permit number of scavenger):
 Coppola, NJ-790

(b) Is there an alternate sludge disposal site or contingency plan? Yes No N/A
 If yes, please describe:

Marangi

- (6) Does facility have effective administrative structure and adequate financial systems (e.g. Repair Reserve Fund, Uniform Accounting System)? Yes No N/A
- (7) Is progress on compliance schedule(s) (e.g. Upgrading, CSO, Pretreatment) satisfactory? Yes No N/A
- (8) Explanation as needed for any of the above:

Consent order requirements have not been fully implemented.

F. Inspector Comments

Hoses used to connect convey thickener overflow/ sand filter backwash to RBC Influent.

Weir fouling, short-circuiting and floating sludge in primary clarifiers, secondary clarifiers and thickeners.

A preventive maintenance schedule needs to be developed and kept on-site.

Construction work has started on the sand filter backwash holding tank. The Department should be notified when the tank is put into service.

The mechanical screen has been out of service since June 1, 2014. Submit a corrective action plan and schedule for repair or/and replacement.

April 2014 laboratory reports were not available for review.

The reported value for Phosphorus on the May 2014 Discharge Monitoring Report (DMR) was not calculated correctly. Please recompute the monthly average from the laboratory report results and submit an amended DMR to the Department.

The SPDES permit expired on July 31, 2014. Operating a wastewater treatment plant with an expired permit is a violation of the SPDES permit and Article 17 of the NYS Environmental Conservation Law.

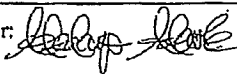
Signature of Inspector: 	Title: Environmental Engineer I	Date: 09/17/14
Name of Facility Representative: Ed Grogan	Title: Operator	Date: 09/17/14

EXHIBIT K



ZARIN &
STEINMETZ

David J. Cooper
Jody T. Cross ◦
Marsha Rubin Goldstein
Jeremy E. Kozin
Helen Collier Mauch ▲
Daniel M. Richmond
Brad K. Schwartz
Lisa F. Smith ◦
David S. Steinmetz ✎
Krista E. Yacovone
Michael D. Zarin

✎ Also admitted in D.C.
◦ Also admitted in CT
▲ Also admitted in NJ

December 16, 2014

Via Overnight Mail

Patrick Ferracane
Jennifer Zunino-Smith
New York State Department of Environmental Conservation
Division of Water, Region 3
100 Hillside Avenue, Suite 1W
White Plains, NY 10603-2860

**Re: Potential SPDES Violation
Illegal Construction Activity Between Prag Blvd. and Rimenev Ct.
Village of Kiryas Joel, Orange County, New York**

Dear Mr. Ferracane and Ms. Zunino-Smith:

This Firm represents United Monroe, a group of concerned residents committed to transparent and open government. Its members include residents of the Town of Monroe and others who live in the surrounding community. This Letter serves to inform your Department that upon information and belief, the Village of Kiryas Joel ("Kiryas Joel" or the "Village") has potentially caused a violation of your laws and regulations governing stormwater discharges.

By letter dated November 26, 2013, your Department issued a Notice of Violation and Cease and Desist Order ("NOV") to the Village in connection with an inspection of construction activity on Village-owned land between Prag Boulevard and Rimenev Court (the "Site"). (A copy of the NOV and accompanying Construction Stormwater Inspection Report is annexed hereto.) The NOV ordered Kiryas Joel to immediately cease and desist all construction activity at the Site for failing to gain coverage under the SPDES General Permit for Stormwater Discharges from Construction Activity (GP-0-10-001). As you know, coverage under the General Permit and subsequent compliance with its terms through erosion and sediment controls is crucial to prevent contravention of water quality standards.

Tel: (914) 682-7800
Fax: (914) 683-5490

81 Main Street, Suite 415
White Plains, NY 10601

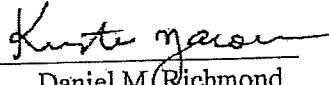
www.zarin-steinmetz.com

Upon information and belief, the Village has recently resumed construction activities at the Site. United Monroe has no knowledge of Kiryas Joel ever obtaining coverage under SPDES General Permit GP-0-10-001 for such activity. Accordingly, any construction activity resulting in disturbance greater than one acre would be unpermitted. This would directly violate your Department's orders, as well as state environmental laws and regulations governing land disturbance and stormwater discharges.

Please feel free to contact us should you have any questions.

Respectfully submitted,

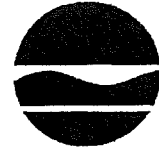
ZARIN & STEINMETZ

By: 
Daniel M. Richmond
Krista E. Yacovone

Encl.

cc: Robert Ewing, NYSDEC, Division of Environmental Permits
John Allegro (via email)
Emily Convers (via email)

New York State Department of Environmental Conservation
Division of Water, Region 3
100 Hillside Avenue – Suite 1W, White Plains, New York 10603-2860
Phone: (914) 428-2505 • Fax: (914) 428-0323
Website: www.dec.ny.gov



Joseph Martens
Commissioner

NOTICE OF VIOLATION/CEASE & DESIST

November 26, 2013

Mayor and Village Board
Village of Kiryas Joel
P.O. Box 566
Monroe, New York 10949

**Re: Construction activity between Prag Boulevard and Rimenev Court
Village of Kiryas Joel, NY**

Dear Mayor and Village Board:

An inspection of the above referenced site was performed on November 25, 2013. At the time of inspection it appeared that construction activity has resulted in greater than one acre of disturbance. Construction projects which result in site disturbances of one or more acres are required to gain coverage under, and comply with, this Department's SPDES General Permit for Stormwater Discharges from Construction Activity (GP-0-10-001). Our records do not indicate that this project has gained coverage under that General Permit.

Failure to gain coverage under the General Permit is a violation of Article 17 of the New York State Environmental Conservation Law which is subject to penalties of \$37,500 per day, per violation. This Notice of Violation also serves as a Cease and Desist Directive for continued activities being performed in violation of Article 17. To obtain coverage under the SPDES GP the Notice of Intent (NOI), which can be found at http://www.dec.ny.gov/docs/water_pdf/noipgr10.pdf, must be completed and submitted to the address at the top of the form, with a copy to this office, immediately. Additionally, a Stormwater Pollution Prevention Plan, prepared in accordance with the requirements of the SPDES GP, must be submitted to this office immediately. The Cease and Desist Directive shall remain in effect until the Department determines that project is in compliance with Article 17 of the NYSECL.

This Department directs you to immediately Cease and Desist all construction activity at the site, exclusive of that work necessary to maintain erosion and sediment measures and prevent the contravention of the Water Quality Standards, until this Department notifies you in writing that the Cease and Desist directive has been lifted. This also excludes any remediation necessary due to improper erosion and sediment controls. Failure to comply with this Cease and Desist directive will result in additional enforcement action by this Department.

Proper erosion and sediment controls must be designed, constructed and maintained at the site to prevent contravention of receiving waters. Contravention of the New York State Water Quality Standards (6 NYCRR Chapter X, Part 703.2) in the receiving water is a violation of Article 17 of the Environmental Conservation Law, and subject to penalties of up to \$37,500 per day, per violation.

If you have any questions, I can be reached at the above phone number, extension 359.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Ferracane". The signature is fluid and cursive, with a large initial "P" and "F".

Patrick Ferracane
Division of Water

cc: Jennifer Zunino-Smith, NYSDEC, Division of Water
Gedalye Szegedin, Village Administrator



**NEW YORK STATE
DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF WATER**



Construction Stormwater Inspection Report for SPDES General Permit GP-0-10-001

Project Name and Location: <u>Prng Boulevard and Rimenev Court</u> Municipality: <u>Kiryas Joel</u> County: <u>Orange</u>	Date: 11/25/13
	Weather: CLEAR
	Permit # (if any): N/A
	Entry Time: 1:15 Exit Time: 2:40
Name of SPDES Permittee: <u>N/A</u> Contacted: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Inspection Type: <input type="checkbox"/> NOT <input type="checkbox"/> Compliance <input type="checkbox"/> Referral <input checked="" type="checkbox"/> Complaint
On-site Representative(s) and Company(s): <u>N/A</u>	
Phone Number(s): <u>N/A</u>	

SPDES Authority

- | Yes | No | N/A | | Citation |
|--------------------------|-------------------------------------|-------------------------------------|--|----------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Does the project have permit coverage? | GP-0-10-001: I.A. & II. B. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is a copy of the NOI and Acknowledgment Letter available on site and accessible for viewing? | GP-0-10-001: II.C. 2. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is a copy of the MS4 SWPPP Acceptance Form available on site and accessible for viewing? | GP-0-10-001: II.C. 2. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is an up-to-date copy of the signed SWPPP retained at the construction site? | GP-0-10-001: II.C. 2. & III.A.4. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is a copy of the SPDES General Permit retained at the construction site? | GP-0-10-001: II.C. 2. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Does the NOI accurately report the number of acres to be disturbed? | GP-0-10-001: II.B.5. |

SWPPP Content

- | Yes | No | N/A | | Citation |
|--------------------------|--------------------------|-------------------------------------|---|------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Does the SWPPP describe and identify the erosion and sediment control measures to be employed? | GP-0-10-001: III.B.1.e |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Does the SWPPP provide an inspection schedule and maintenance requirements for the E&SC measures? | GP-0-10-001: III.B.1 h. & i. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Does the SWPPP describe and identify the stormwater management practices to be employed? | GP-0-10-001: III.B.2. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Does the SWPPP identify the contractor(s) and subcontractor(s) responsible for each measure? | GP-0-10-001: III.A.6. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Does the SWPPP identify at least one trained individual from each contractor(s) and subcontractor(s) companies? | GP-0-10-001: III.A.6. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Does the SWPPP include all the necessary Contractor Certification Statements and signatures? | GP-0-10-001: III.A.6. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is the SWPPP signed by the permittee? | GP-0-10-001: VII.H.2. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is the SWPPP prepared by a qualified professional (if post-construction stormwater management required)? | GP-0-10-001: III.A.3. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Do the SMPs conform to the Enhanced Phosphorus Removal Standards (projects in TMDL watersheds)? | GP-0-10-001: III.B.3. |

Recordkeeping

- | Yes | No | N/A | | Citation |
|--------------------------|--------------------------|-------------------------------------|--|--|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are self-inspections performed as required by the permit (weekly, or twice weekly for >5 acres disturbed)? | GP-0-10-001: IV.C.2.a. & b. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are the self-inspections performed and signed by a qualified inspector and retained on site? | GP-0-10-001: II.C.2., IV.C.6 & VII.H.3 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Do the qualified inspector's reports include the minimum reporting requirements? | GP-0-10-001: IV.C.4. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Do inspection reports identify corrective measures that have not been implemented or are recurring? | GP-0-10-001: IV.C.5. |

Visual Observations

- | Yes | No | N/A | | Citation |
|--------------------------|-------------------------------------|-------------------------------------|--|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Are all erosion and sediment control measures installed properly? | GP-0-10-001: VII.L. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are all erosion and sediment control measures being maintained properly? | GP-0-10-001: IV.A.1 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Was written authorization issued for any disturbance greater than 5 acres? | GP-0-10-001: II.C.3. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Have stabilization measures been implemented in inactive areas per Permit (>5 acres) or ESC Standard? | GP-0-10-001: II C.3.b & III.B.1.f. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are post-construction stormwater management practices constructed/installed correctly? | GP-0-10-001: II.C.1. & III.B.2. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Has final site stabilization been achieved and temporary E&SC measures removed prior to NOT submittal? | GP-0-10-001: V.A.2. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Was there a discharge from the site on the day of inspection? | ECL 17-0501, 6 NYCRR 703.2 & GP-0-10-001: I.B. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Is there evidence that a discharge caused or contributed to a violation of water quality standards? | |

Water Quality Observations

Describe the discharge(s): location, source(s), impact on receiving water(s), etc.: N/A

Describe the quality of the receiving water(s) both upstream and downstream of the discharge: N/A

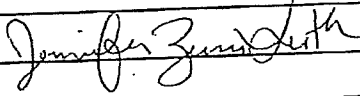
Describe any other water quality standards or permit violations: See 'Additional Comments'

Additional Comments

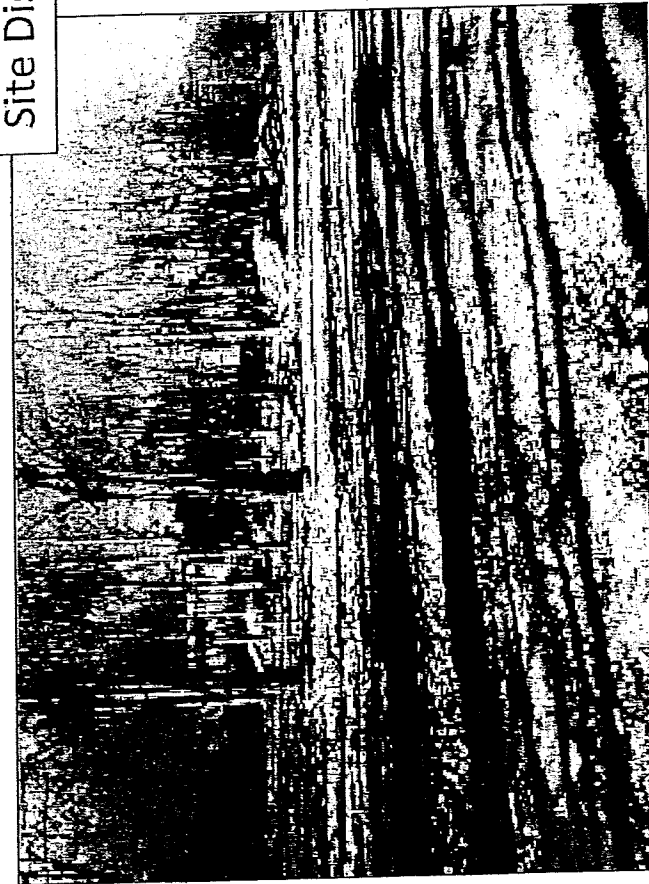
No coverage under the Department's SPDES General Permit for Stormwater Discharges from Construction Activity (GP-0-10-001).

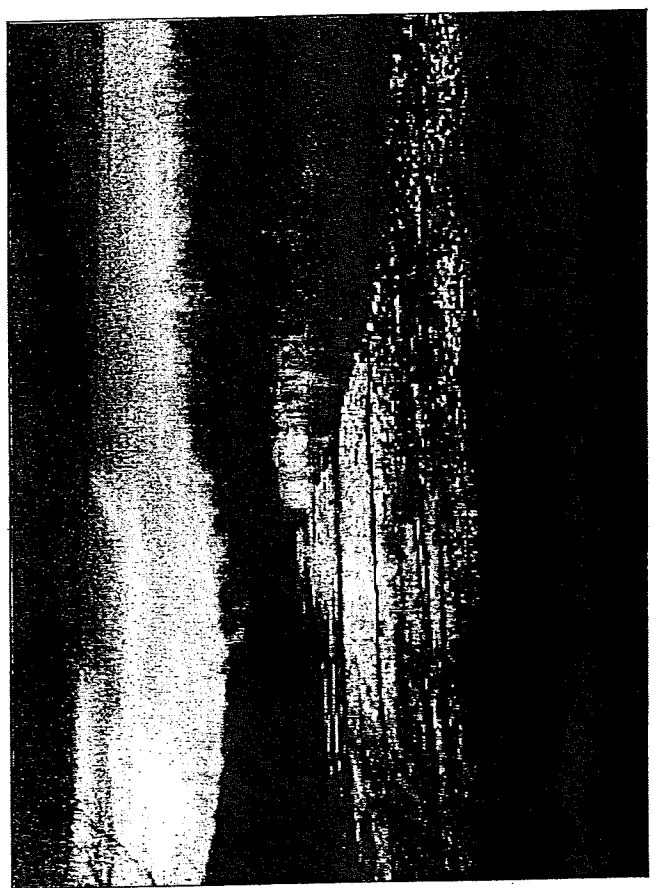
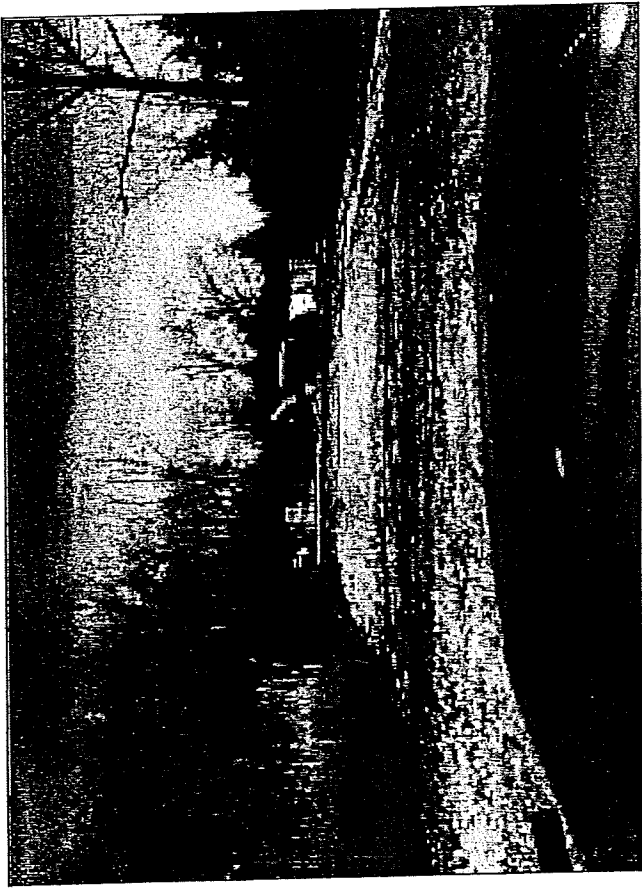
No Erosion and Sediment Control measures on-site.

Photographs attached

Overall Inspection Rating: <input type="checkbox"/> Satisfactory <input type="checkbox"/> Marginal <input checked="" type="checkbox"/> Unsatisfactory	
Name/Agency of Lead Inspector: Jennifer Zunino-Smith	Signature of Lead Inspector: 
Names/Agencies of Other Inspectors:	

Site Disturbance





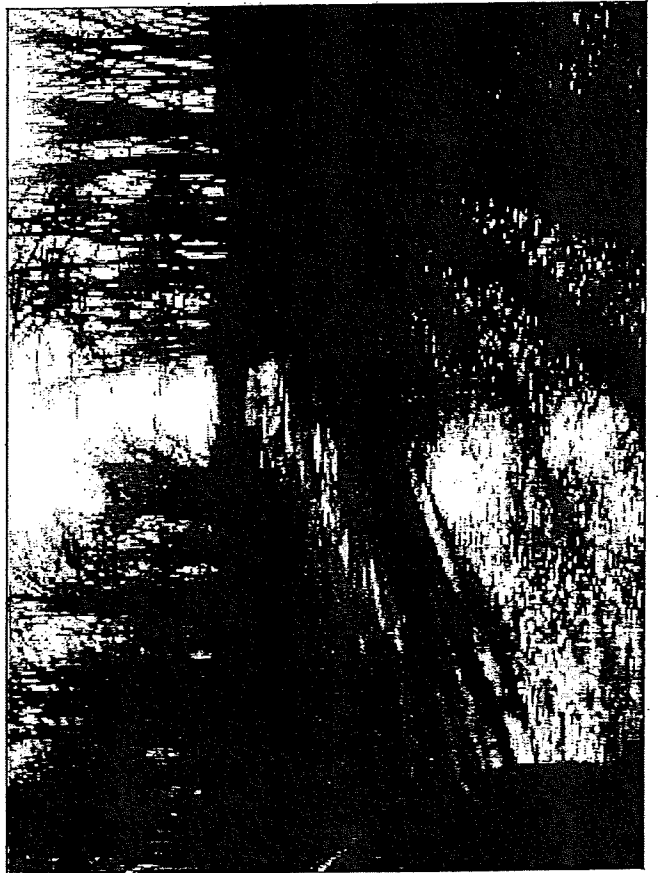
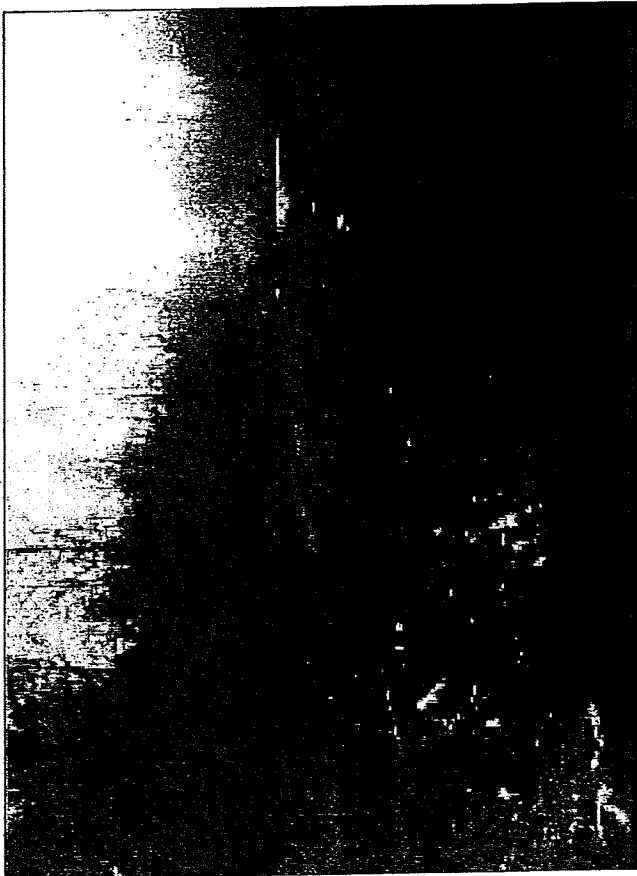
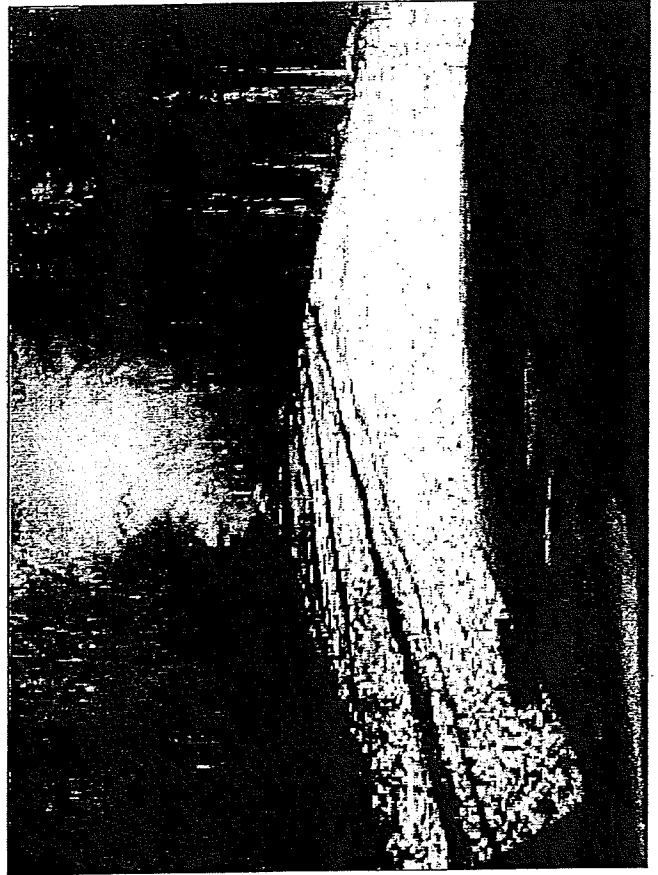


EXHIBIT L

Village of Kiryas Joel Orange County, New York EFC Project #16906 Analysis		(Updated Budget Model)				
Fiscal Year Ended May 31:	Actual 2012	Actual 2013	2014 (9)	2015	2016	2017
Base Usage Assumptions:						
Residential:						
Annual Water Sold (gallons):	395,509,000	395,095,000	399,260,472	421,408,797	443,557,122	465,705,447
Total Water Connections:	3,899	4,056	4,056	4,281	4,506	4,731
Annual Water Sold per Connection:	101,699.41	97,410.01	98,437.00	98,437.00	98,437.00	98,437.00
Existing Water Rents (per kgal):	\$2.75	\$2.75	\$2.75	\$3.75	\$3.75	\$3.75
Increase/(Decrease) Water Rents (per kgal):	\$0.00	\$0.00	\$1.00	\$0.00	\$0.00	\$0.00
Total Residential Water Rents:	\$2.75	\$2.75	\$3.75	\$3.75	\$3.75	\$3.75
Commercial/Industrial:						
Annual Water Sold (gallons) (1):	154,207,400	144,387,600	146,117,098	155,419,385	164,721,991	174,023,988
Total Water Connections (1):	155	161	N/A	N/A	N/A	N/A
Annual Water Sold per Connection (1):	994,886.45	896,853.17	N/A	N/A	N/A	N/A
Existing Water Rents (per kgal):	\$2.75	\$2.75	\$2.75	\$5.50	\$5.50	\$5.50
Increase/(Decrease) Water Rents (per kgal):	\$0.00	\$0.00	\$2.75	\$0.00	\$0.00	\$0.00
Total Commercial/Industrial Water Rents:	\$2.75	\$2.75	\$5.50	\$5.50	\$5.50	\$5.50
Fees to NYC Water Supply System (per kgal) (2):	\$1,332.30	\$1,332.30	\$1,498.76	\$1,583.57	\$1,708.67	\$1,788.98
New Improvement Charges (per connection) (3):	\$0.00	\$0.00	\$6,000.00	\$6,000.00	\$6,000.00	\$10,000.00
Annual Expenditures:						
Debt Service from Project (4):	\$0.00	\$0.00	\$61,172.00	\$144,405.00	\$2,815,000.00	\$2,815,000.00
Project cost \$44,862,313	(Incl. in O&M below)	(Incl. in O&M below)				
Operations & Maintenance (5):						
Old System (Maintenance):	\$1,412,534.00	\$1,705,584.20	\$1,769,352.30	\$1,835,526.08	\$1,904,174.75	N/A
New System:	\$0.00	\$0.00	\$0.00	\$0.00	(\$104,297.53)	N/A
Total O&M:	\$1,412,534.00	\$1,705,584.20	\$1,769,352.30	\$1,835,526.08	\$1,799,877.22	\$1,867,192.63
Fees to NYC Water Supply System (per kgal):	\$0.00	\$0.00	\$0.00	\$0.00	\$1,039,350.36	\$1,144,484.42
Total Expenditures:	\$1,412,534.00	\$1,705,584.20	\$1,830,524.30	\$1,979,931.08	\$5,654,227.56	\$5,826,667.05
Annual Revenues:						
Existing Residential Customers:						
Water Rents to Customers (Base)	\$1,087,649.75	\$1,086,511.25	\$1,097,965.30	\$1,580,282.99	\$1,563,339.21	\$1,745,995.43
Increase to Charged Water Rents (6)	\$0.00	\$0.00	\$163,874.50	\$0.00	\$0.00	\$0.00
Existing Commercial/Industrial Customers:						
Water Rents to Customers (Base)	\$424,070.35	\$397,010.90	\$401,822.02	\$654,805.67	\$906,988.30	\$957,131.93
Increase to Charged Water Rents (6)	\$0.00	\$0.00	\$172,649.70	\$0.00	\$0.00	\$0.00
New Customers (7):						
New Residential Connections:						
New Commercial/Industrial (in EDUs):			225	225	225	225
			40	40	40	40
New Improvement Charges (per connection):	\$0.00	\$0.00	\$556,500.00	\$1,590,000.00	\$1,590,000.00	\$2,650,000.00
Water Rents to New Residential Customers (6):	\$0.00	\$0.00	\$70,082.36	\$83,055.22	\$83,056.22	\$83,056.22
Water Rents to New Commercial/Industrial Customers (6):	\$0.00	\$0.00	\$32,732.93	\$46,280.00	\$46,280.00	\$46,280.00

Total Revenues:	\$1,511,720.10	\$1,483,522.16	\$2,487,627.21	\$4,154,436.88	\$4,288,654.73	\$5,482,873.58
Annual Operating Surplus/(Deficit):	\$99,186.10	(\$222,042.05)	\$687,102.91	\$2,174,504.80	(\$1,365,572.85)	(\$343,783.48)
Cumulative Surplus/(Deficit) (8):	\$655,186.10	\$434,144.05	\$5,101,246.96	\$3,275,761.76	\$1,910,178.91	\$1,566,395.43
(1) Annual water sold to commercial/industrial properties is based off the assumption that 42% of the Village's water user base is comprised of this category of users. The annual increases in the amount of water sold to commercial/industrial users is calculated by adding 42% of the year over year increase in residential water sold to the previous year's commercial/industrial water sold.						
(2) Rate for water provided to users outside City of New York by the NYC Water Board, effective July 1, 2013 and assumes the NYC Water Boards projected growth of 5.8% in 2015, 7.9% in 2016, 4.7% in 2017 and 2% annual projected rate increases are particularly high in the next few years due to NYC pension cost spikes and capital improvements to the system.						
(3) Source: NYC Water Board Report on Cost of Supplying Water to Upstate Customers for the 2014 Rate Year, draft dated May 14, 2013.						
(4) Assumes new improvement charge of \$5,000 for the second half of 2014; all of 2015 and 2016 and increases to \$10,000 in 2017. The increase in the new improvement charge will be partially offset by the elimination of the charge upon the retirement of the Village's existing EFC loan in August 2018. (There will be a 2-year overlap).						
(5) Assumes long-term bonds issued in March 2015 with first impact of debt service occurring in the Village's 2016 fiscal year.						
(6) Interest rates on long-term bonds based off of AAA MMD on 10.23.13 plus 20 bps for EFC's pricing spread plus an additional 50 bps for potential market movement.						
(7) The 2014 increase in water rents to existing customers and water rents to new customers assumes the Village increases water rates as of January 1, 2014, generating five months worth of increased revenues in the 2014.						
(8) The Village expects the growth of users in the system to be more parabolic than is represented in this table. As such, the Village believes the new customer growth estimated in this table to be conservative.						
(9) Cumulative surplus/(deficit) represents the carry over from the system's prior year operations. These figures include the Village's estimated fund balance in its water fund of approximately \$657,000 at May 31, 2012.						
(10) Base Usage for 2014 is equal to total usage in 2013. New customers added to the system in 2014 (and thereafter) are shown below in these corresponding years.						

	2028	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	761,016.447	788,086.622	815,156.787	842,226.972	869,287.147	898,367.322	923,437.487	950,507.672	977,577.847	1,004,648.022	1,034,179.122	1,063,710.222	1,093,241.322
	7,781	8,008	8,281	8,556	8,831	9,106	9,381	9,656	9,931	10,206	10,508	10,806	11,108
	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00	98,437.00
	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.75	\$4.75	\$4.75	\$4.75	\$5.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.75	\$4.75	\$4.75	\$4.75	\$4.75	\$5.00	\$5.00
	298,054,608	309,424,081	320,793,555	332,163,028	343,532,502	354,901,975	368,271,449	377,640,922	388,010,395	400,379,869	412,782,931	425,185,993	437,589,055
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$6.00	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.75
	\$0.00	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$6.00	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.75	\$6.75
	\$2,288.86	\$2,314.24	\$2,360.52	\$2,407.79	\$2,455.09	\$2,505.01	\$2,555.11	\$2,606.21	\$2,658.93	\$2,711.50	\$2,765.73	\$2,821.04	\$2,877.47
	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00	\$2,815,000.00
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	\$2,900,875.42	\$3,009,471.80	\$3,122,026.15	\$3,238,789.92	\$3,359,920.67	\$3,485,581.70	\$3,615,942.48	\$3,751,178.70	\$3,891,472.79	\$4,037,013.87	\$4,187,998.18	\$4,344,629.32	\$4,507,118.46
	\$2,402,885.75	\$2,539,902.00	\$2,681,437.74	\$2,827,618.95	\$2,978,574.83	\$3,134,437.91	\$3,295,344.07	\$3,451,492.71	\$3,632,846.75	\$3,809,732.78	\$4,001,906.00	\$4,200,242.25	\$4,404,911.19
	\$8,118,861.17	\$8,364,373.89	\$8,618,463.89	\$8,881,408.87	\$9,153,495.50	\$9,435,019.61	\$9,726,286.53	\$10,027,611.41	\$10,339,319.54	\$10,651,746.65	\$11,004,904.19	\$11,359,871.57	\$11,727,029.64
	\$3,234,319.90	\$3,546,389.80	\$3,669,205.59	\$3,780,021.37	\$3,911,837.16	\$4,033,652.95	\$4,165,488.74	\$4,314,911.44	\$4,543,494.77	\$4,772,078.10	\$4,912,950.83	\$5,052,623.55	\$5,466,206.61
	\$190,254.11	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$230,859.37	\$0.00	\$0.00	\$0.00	\$0.00	\$266,927.56	\$0.00
	\$1,768,327.65	\$1,856,544.49	\$2,004,959.72	\$2,076,016.93	\$2,147,078.14	\$2,218,137.35	\$2,288,196.65	\$2,454,665.99	\$2,528,567.57	\$2,602,469.15	\$2,683,088.05	\$2,763,708.98	\$2,963,728.12
	\$0.00	\$77,956.02	\$0.00	\$0.00	\$0.00	\$0.00	\$91,587.86	\$0.00	\$0.00	\$0.00	\$0.00	\$106,296.50	\$0.00
	275	275	275	275	275	275	275	275	275	275	275	300	300
	50	50	50	50	50	50	50	50	50	50	50	50	50
	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,250,000.00	\$3,500,000.00
	\$121,815.79	\$121,815.78	\$121,815.79	\$121,815.79	\$121,815.79	\$121,815.78	\$128,583.33	\$128,583.33	\$128,583.33	\$140,272.73	\$140,272.73	\$147,656.50	\$147,656.50
	\$61,720.00	\$64,281.67	\$64,281.67	\$64,281.67	\$64,281.67	\$64,281.67	\$66,863.33	\$66,863.33	\$66,863.33	\$72,941.82	\$72,941.82	\$75,747.27	\$75,747.27

EXHIBIT M

AQUEDUCT CONNECTION PROJECT BUSINESS PLAN
SUPPLEMENT II

JANUARY 31, 2014

At the request of the New York State Environmental Facilities Corporation (“NYSEFC”), on or about October 28, 2013, the Village of Kiryas Joel (“Village”) submitted a Business Plan in support of the Village’s request for extension of its existing short term financing with NYSEFC. On or about December 4, 2013, the Village submitted Supplement I which responded to questions raised by NYSEFC with regard to that Plan. This Supplement II now responds to additional comments and requests for information by NYSEFC contained in an email dated January 7, 2014. The content of that email is incorporated herein below. Village responses are identified in bold italics with relevant appendices attached.

NYSEFC Concerns:

1. Can the growth projections for the Village be viewed as reasonable given that the available space within the Village does not support the long-term projections and limited historical basis to perform an analysis.

Yes, Village options for accommodating projected internal population growth include redevelopment of existing lots, increasing existing density by allowing for increased building heights and other zoning law amendments, and annexation/expansion of Village boundaries. The annexation option is now coming to fruition. On December 27, 2013 the Village received a certified petition from a number of property owners in the Town of Monroe seeking to annex approximately 500 acres of land in the Town into the Village. That petition is in the initial stages of review by both the Town and Village, including a full SEQRA review. A copy of the annexation petition is attached hereto as Appendix SIIA. Based on the time frames provided in Article 17 of the General Municipal Law, it is anticipated that a decision by the respective municipal boards could be resolved in late summer 2014, with a special election thereafter. While there are no immediate plans to rezone or develop such properties, if indeed annexed into the Village, that opportunity exists and would reasonably accommodate the anticipated growth described in the Business Plan. Indeed, owners of many of these parcels have already requested and agreed to purchase water from the Village at rates consistent with the local law and Business Plan, either as out of district purchases or via annexation. Based on current Town of Monroe zoning, the “as of right / build per zoning” totals 1264 dwelling units in the annexed lands. This would equate to over \$31 million in new connection fees over time. This does not account, however, for potential rezoning for increased densities. Copies of the model water purchase agreement and a confidential listing of property owners under contract are included in Appendix SIIB hereto.

2. Should future annexation or service to outlying areas be accepted as the alternative to growth within the Village boundaries.

Yes, future annexation or expansion of the Village is a viable alternative to be considered in addition to the aforementioned increased density and redevelopment scenarios within the current Village boundaries. As previously described to NYSEFC, the growth in Village population is internally and culturally driven and therefore inevitable and will be accommodated in the variety of ways described herein. The latest petition for annexation described above appears to bear this out.

3. What steps should the Village pursue to have a viable project, and how does that timeframe for those steps impact the availability of funds pursuant to the current financing.

The general steps for a viable project are set forth below. The plan of finance to support these steps is set forth later in this supplement and in the cost summaries prepared by CDM Smith and attached hereto in Appendix SIIE.

- i. *Completion of Phase I (pipeline to Mountainville)(July 2014);*
- ii. *Control of phase IA by receipt of final NYSDEC Water Supply Permit (June 2014);*
- iii. *Completion of Phase IA construction (Mountainville Wells)(July 2015);*
- iv. *Interim connection of pipeline to Mountainville Wells supply (August 2015);*
- v. *Control of Phases II & III by receipt of final approvals for construction of Phases II & III (Fall 2014);*
- vi. *Execution of Water Supply Agreement with NYCDEP (Fall 2014);*
- vii. *Completion of Phases II& III construction (May 2016);*
- viii. *Connection to Aqueduct supply (June 2016).*

4. Based on the current information provided, growth of new EDU's on available acreage is only supported until 2022.

This conclusion fails to acknowledge the Village's explanation regarding increased density on existing developed lots which could be achieved through change in zoning densities and height restrictions and redevelopment of existing underutilized lots. For example, the owner of a property on Acres Road recently merged two lots and replaced the existing 2 single family residences (sfr) with multi-family housing. Another property on Lemberg Court was redeveloped from sfr to a condominium complex of 250 units; a like parcel on Van Buren Drive was redeveloped with 18 units; two separate properties on Quickway Road and another on Fillmore Court were also redeveloped from sfr to over 20 units each. These planning tools should also be considered in conjunction with the current annexation proposal now before the Village and Town.

5. Phase I (Southern Transmission Main) gets the new pipeline to Mountainville. In order to determine how the Village plans on funding Phases 1A (Mountainville Wells & Ridge Road Pump Station and Phases II & III (Northern Transmission Main, TAP Aqueduct Facilities & Water Filtration Plant), a Plan of Finance including a listing of sources and uses and updated cash flows must be developed and submitted to EFC for review.

See response including the plan of finance below.

As a result of the discussion points above, the following information was provided by the Village and Consultants.

1. According to the Village, approx. 500 acres in the Towns of Monroe and Woodbury are owned by Developers who are willing to annex such land to the Village. The Village indicated it has approx. 100 acres for development. It is unknown if either Town will approve annexation.
1. According to the Village, annexation is an intense process and might be challenged in Court. Legislative action would be required for annexation.

As noted above, a petition has been recently filed for annexation of over 500 acres in the Town of Monroe alone. The Annexation Process is controlled by Article 17 of the General Municipal Law (GML) and the State Environmental Quality Review Act (SEQRA) process (Article 8 of the Environmental Conservation Law). The Village has identified its intent to serve as the SEQRA lead agency. The Village intends to complete a Generic Environmental Impact Statement as part of the SEQRA proceedings. The Village anticipates scheduling a joint annexation and SEQRA hearing in conjunction with the Town in early April, consistent with GML and SEQRA timeframes. Pursuant to GML, a decision on annexation must be resolved by both the Town and Village within 90 days of the hearing, so it is anticipated that such decisions will be reached by July. Upon approval of the Town and Village, a special election of the electors within the annexed parcels will be scheduled within 90 days thereafter. Subsequent to the election, the Village will enact a local law to amend its boundaries to incorporate the annexed properties. It is reasonable, therefore, to anticipate that the annexation process can be fully completed by the end of 2014. Of course, the Village cannot predict whether the municipal boards and/or the electors will indeed approve the annexation or whether there will be any legal challenges to the process.

2. The Village would charge new residents as a result of annexation a \$25,000 connection fee. This would serve as a commitment from those residents to pay for the costs of the pipeline. Current residents would pay a \$6,000 connection fee.

The Village has obtained commitments from property owners in the Town of Monroe seeking annexation into the Village to acquire connections to the Village water supply. These commitments reflect over 200 new connections and include over \$1 million in current deposits and payments for previously approved development projects. The commitments have been made based on the model water supply agreement attached here as Appendix SIIB and clearly reflect connection fees consistent with the local law and Business Plan. These commitments will be serviced as out of Village district users until annexation is complete if necessary and then as Village users once annexed into the Village.

3. Phases 1 and 1A are expected to cost approx. \$21.4 million. There are two sources of supply at the Mountainville site. The Mountainville & Star Well Fields. A manufacturing facility that has since closed existed on the Star Well Field. When the facility closed, the Village of Kiryas Joel bought the well field. The Village has filed a permit application with NYSDEC to increase the capacity to 100,000 gallons per day thereby doubling the water supply before connecting to the Aqueduct. NYSDEC has informed the Village that the permit is on hold because if the permit was granted, the Star Well Field in conjunction with Mountainville would result in an over-supply of water. Currently, NYSDEC is having the Village evaluate the condition of the Star Well Field pipe. This analysis should be complete by the end of January 2014.

The Village is working with NYSDEC to reactivate the administrative hearing process for the Mountainville Wellfield. It is anticipated that this process can be completed and the final water supply permit issued by summer 2014, ahead of the anticipated time that construction of the pipeline will be completed to the Mountainville Wellfield property in the Town of Cornwall. The Village continues to assess the viability of the existing infrastructure at the Star Mountain wellfield property and continues to view this as a viable interim alternative and eventual backup water supply source for the future. A copy of the existing NYSDEC water supply permit for the Star Mountain wells is attached here as Appendix SIIC.

4. The Village owns and controls the pipeline, but NYCDEP controls who is the end user of NYC water. The Village has the right to sell off water to other municipalities, but cannot do so until permission is granted from NYCDEP.

Limitations on the sale of water are applicable only with respect to Aqueduct water purchased from NYC. The Village is authorized pursuant to Village Law Section 11-1120 to enter into contracts to sell Village water outside of the Village district. Indeed, as noted, the Village already provides water to communities outside of the Village and as described above has recently entered into additional water supply contracts related to some of the properties that have petitioned the Village and Town for annexation into the Village. These contracts would be serviced as needed in the interim with water obtained from the Mountainville or Star Mountain wells and then eventually by the Aqueduct.

5. At this time, phases II and III are not within the Village's control since approvals have not been granted from NYSDOH or NYSDEC.

Phase II and III applications are anticipated to be filed with the various agencies later this spring. These permits will be consistent with those obtained for Phase I and will also include the execution of the water supply agreement with NYCDEP. As the same agencies have already approved the design and work for Phase I, the Village does not anticipate delays in obtaining these approvals.

6. Village would use monies from the County to fund Phase 1A. These monies would come from sewer rents charged to the County for treatment of wastewater. WWTP is leased to OCSD #1.

Ideally, the Village would prefer to utilize the short term financing secured through NYSEFC to finance completion of Phase IA. In the event the timing for gaining control over the construction of Phase IA is not completed by the time the pipeline construction is completed to Mountainville, the Village would not delay construction of the Mountainville Wells but would be prepared to fund the construction through excess revenues on hand as a result of its sewage treatment facility lease with Orange County Sewer District #1.

7. A resolution to pass the new water rate structure was going to the Village Board on Friday December 21, 2013.

A copy of the local law as adopted on December 20, 2013 and filed with the NYS Department of State is attached as Appendix SIID.

8. CDM Smith informed that 23,000 lin.\ft. out of 36,000 lin.\ft. of pipeline had been installed thus far.

Construction is scheduled to resume in March, 2014.

9. Work is scheduled to resume in mid-March with the remaining 13,000 lin.\ft. of pipeline including final paving to be completed by July 2014.

Disbursement #32 was released on December 26, 2013 in the amount of \$2,002,653.55. Please be advised that any future disbursements are contingent upon satisfaction of the terms expressed in the extension of this short-term financing. EFC continues to have concerns regarding the viability of the project as mentioned above. It is our hope and expectation that the Village & Consultants will continue to work with EFC and DOH to continue to develop project viability and affordability. In the immediate future, please submit the following information so that our analysis may continue without further delay. Specifics are as follows:

1. A plan of finance that addresses the sources of funding for each major component of the project along with an associated timetable for execution.

Please see the steps below for the plan of finance:

- i. *Fund Phase I with existing short term financing.*
- ii. *Obtain approval of revised project (Phase IA) scope and costs by NYSEFC. This will require the Village to demonstrate control over the revised project. The Village intends to resume the administrative hearing and permit review process for the Mountainville wellfield later this winter and anticipates this process would be completed and the final water supply permit issued by the NYSDEC by early summer, ahead of the completion of the pipeline which is expected to reach the wellfield site by*

July 2014. As the costs of the completion of Phase I and IA are within the total approved loan, NYSEFC approval will not require additional financing.

- iii. Fund approved project costs in the near term through NYSEFC short-term note program until a significant portion of project costs have been incurred. The Village would make the required principal paydowns and interest payments due on the short-term financing during this period.*
 - iv. Convert short-term financing to long-term, subsidized NYSEFC bonds once the final project costs are known for Phases I/IA.*
 - v. Obtain all approvals for control of Phases II & III.*
 - vi. Apply for NYSEFC short term financing for Phases II & III.*
 - vii. Fund approved project costs in the near term through NYSEFC short-term note program until a significant portion of project costs have been incurred. The Village would make the required principal paydowns and interest payments due on the short-term financing during this period.*
 - viii. Convert short-term financing to long-term, subsidized NYSEFC bonds once the final project costs are known for Phases II & III.*
2. A detailed plan articulating how the Village intends to connect the Phase I pipeline to the new source (Mountainville Wells or NYC Aqueduct) for Phase 1A, along with an associated timetable for execution given that the Phase I component currently under construction is of no use until connected to a new source.

A detailed engineering plan for development and connection of the pipeline to the Mountainville wells has been prepared by CDM Smith and is attached hereto as Appendix SIII. NYSDOH has already reviewed and endorsed this plan (see Appendix SIIIF). A copy of relevant SEQRA documents for the Mountainville Wellfield, including the full EAF and Negative Declaration, are attached as Appendix SIIIG. The Draft Water Supply Permit issued by NYSDEC is attached as Appendix SIIIH. NYSOPRHP sign off for the Mountainville Wellfield site is attached as Appendix SIIII.

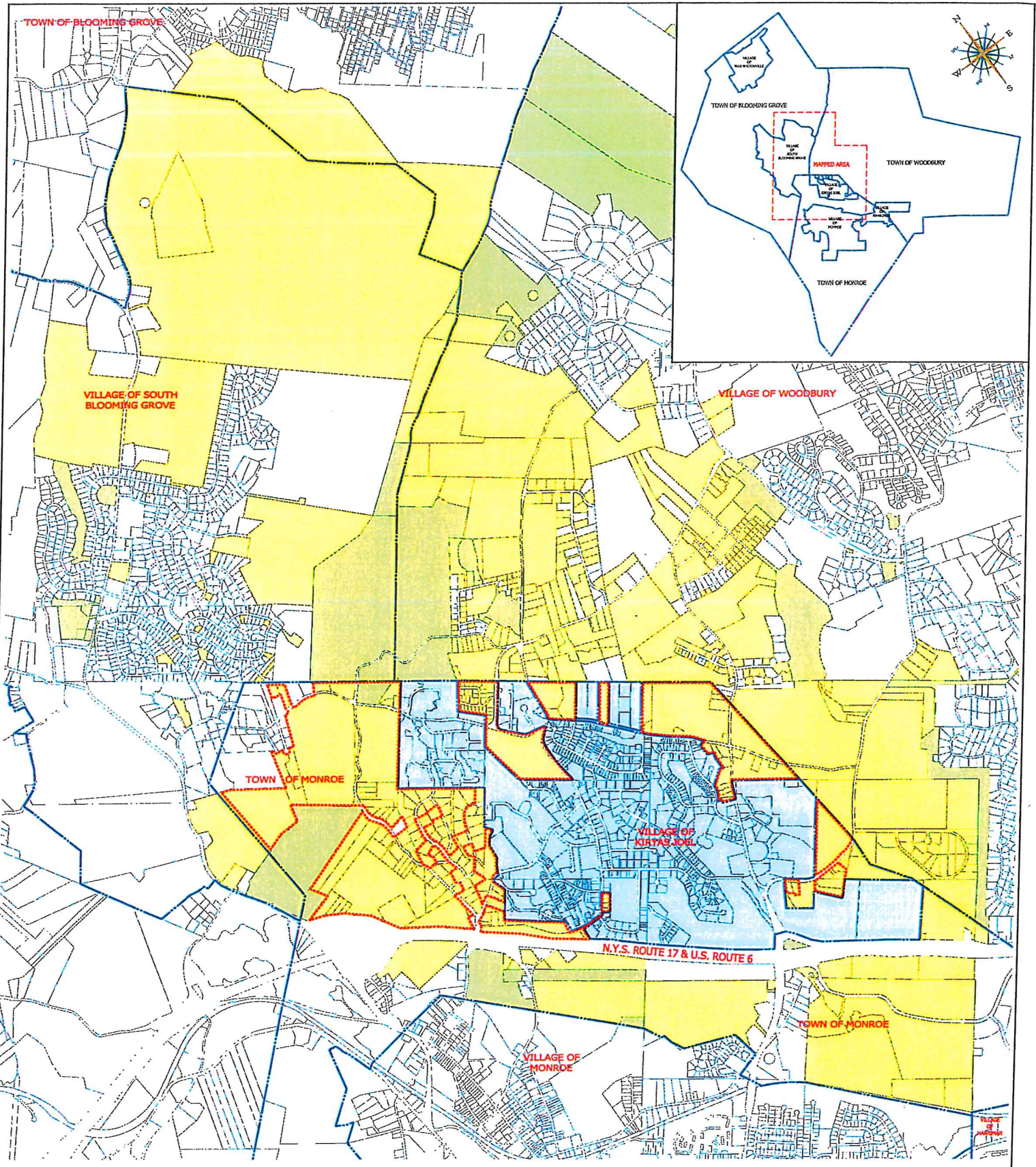
In addition, CDM Smith has prepared a detailed cost plan for Phases I & IA as well as for the remainder of the overall project (Phases II & III) (see Appendix SIIJ). The Appendix SIIJ cash flows can also be used to estimate when and how much drawdown from the short term financing is needed, ahead of the Village making reimbursement requests. Likewise, the cost plans also correlate with the anticipated construction schedule for the various project phases.

3. Provide updated information regarding the new user charges and the annexation/"contracts"

The Village has obtained commitments from property owners in the Town of Monroe seeking annexation into the Village to acquire connections to the Village water supply. These commitments reflect over 200 new connections and include over \$1 million in current deposits and payments for previously approved

development projects. The commitments have been made based on the model water supply agreement attached here as Appendix SIIB and clearly reflect connection fees consistent with the local law and the Business Plan. These agreements will be serviced in the interim by the Mountainville wells supply (Phase IA) and ultimately by the Aqueduct supply either as outside of Village water district users or as in Village users upon annexation.

EXHIBIT N



HASIDIC JEWISH LAND OWNERS SURROUNDING KIRYAS JOEL

TOWN OF BLOOMING GROVE	1,300± ACRES
TOWN OF MONROE	900± ACRES
TOWN OF WOODBURY	1,100± ACRES
EXISTING VILLAGE OF KIRYAS JOEL	700± ACRES
TOTAL AREAS	4,000± ACRES

LEGEND OF SHADING

- EXISTING VILLAGE OF KIRYAS JOEL PARCELS/LIMITS
- HASIDIC JEWISH LAND OWNERS SURROUNDING KIRYAS JOEL (BOTH PRIVATELY OWNED AND VILLAGE OF KIRYAS JOEL OWNED)
- GOVERNMENTALLY AND PUBLIC UTILITY OWNED LANDS/PARCELS
- ANNEXATION BOUNDARIES AS SUBMITTED ON DECEMBER 27, 2013 TO THE VILLAGE OF KIRYAS JOEL AND THE TOWN OF MONROE

**MAP OF
 HASIDIC JEWISH LAND OWNERS
 SURROUNDING KIRYAS JOEL
 WITHIN THE TOWNS OF
 MONROE
 WOODBURY
 BLOOMING GROVE
 ORANGE COUNTY - NEW YORK**

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www.afrsurvey.com

SCALE: 1" = 800' DATE: JANUARY 14, 2014 SHEET: 1 OF 1