

WAIVER OF NOTICE AND CONSENT  
OF SPECIAL MEETING

We, the Undersigned, being all members of the Riverhead Town Board of the Town of Riverhead, County of Suffolk, and State of New York, do hereby waive notice of the time, place, date and purpose of a meeting of the Town Board of the Town of Riverhead, to be held at Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York at 9:30a.m. on the 12<sup>th</sup> day of November, 2010 and do consent to the holding of such meeting for the purpose of the following:

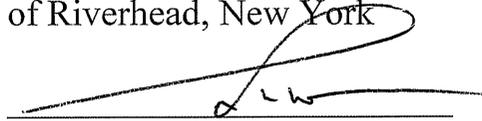
Res. #839 Acknowledging the Termination of the Agreement of Sale with Riverhead Resorts LLC

The Consideration to UNTABLE  
CDA

Res. #18 Acknowledging the Termination of the Agreement of Sale with Riverhead Resorts LLC

Dated: November 12, 2010  
Media Notified by  
Supervisor

TOWN BOARD MEMBERS  
of Riverhead, New York



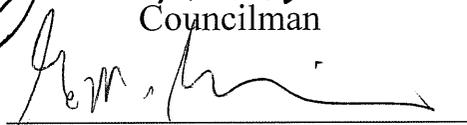
Supervisor



Councilman



Councilman



Councilman



Councilwoman

## SPECIAL TOWN BOARD MEETING

November 12, 2010

The Special Town Board meeting was called by Supervisor Sean Walter at 9:30 A.M.

**Present:** Supervisor Sean M. Walter  
Councilman John Dunleavy  
Councilman Jim Wooten  
Councilman George Gabrielsen  
Councilwoman Jodi Giglio

**Also Present:** Town Clerk Diane M. Wilhelm

Supervisor Sean M. Walter: "Can we have a motion to open the meeting. Let's say the pledge of allegiance"

THE PLEDGE WAS RECEITED

Supervisor Sean M. Walter: "We're here for two resolutions, a Community Development Agency resolution and a Town Board resolution. I'm here to report to the Board that we have not received the 3.9 million dollars from Riverhead Resorts as promised and I'm prepared to move one resolution and take one off the table. So, Joey if you want to...We have to close the meeting of..."

John Dunleavy: "I make a motion that we close the Town Board meeting and open the Community Development meeting. So moved"

Supervisor Walter: "All in favor?"

Collective response: "Aye"

Supervisor Walter: "There we go. OK, Joe if you could call the CDA resolution. Well, we have to take it off the table. Can we get a motion to take resolution 18 of the Community Development agency off the table?"

John Dunleavy: "I make that motion"

Councilwoman Giglio: "Seconded"

Joe Maiorana: "Moved and Seconded"

Supervisor Walter: "Go ahead"

THE VOTE:

Joe Maiorana: "Wooten, yes; Dunleavy, yes; Walter, yes; Giglio, yes; Gabrielsen, yes."

Supervisor Walter: "OK, the motion is...We've untabled the motion. Can we get a motion to move the resolution acknowledging the termination of the agreement of sale with Riverhead Resorts LLC?"

CDA Resolution #18

Councilman Wooten: "I'd like to move CDA resolution #18, acknowledging the termination of the agreement of sale with Riverhead Resorts LLC. So moved"

Councilman Gabrielsen: "And seconded"

Supervisor Walter: "Moved and seconded, vote please"

THE VOTE:

Joe Maiorana: "Giglio, yes; Gabrielsen, yes; Wooten, yes; Dunleavy"

Councilman Dunleavy: "I'm going to, seeing that we already terminated it by contract, I really don't think this is necessary. We gave them till Tuesday and we're doing this ahead of time and we have nobody behind these people. I'm going to vote no"

THE VOTE Con't:

Joe Maiorana: "Walter, yes. The resolution is ADOPTED"

Supervisor Walter: "Can I get a motion to close the CDA portion of the meeting"

Councilwoman Giglio: "I make a motion to close the CDA"

Councilman Gabrielsen: "Second"

Supervisor Walter: "All in favor?"

Collective Response: "Aye"

Councilman Dunleavy: "I make a motion we open the Town Board meeting"

Councilwoman Giglio: "And seconded"

Supervisor Walter: "All in favor?"

Collective Response: "Aye"

Supervisor Walter: "Diane, if you could move resolution 839?"

Resolution #839

Councilman Wooten: “Point of order? Didn’t we vote on this already? \_\_Was that we voted on and passed?”

Supervisor Walter: “But today’s the...”

Councilman Wooten: “Is this a duplicate resolution. Do we have to rescind one before we can do this one?”

Diane Wilhelm: “It was NOT ADOPTED”

Councilman Dunleavy: “No, I don’t think we adopted it”

Councilman Gabrielsen: “Acknowledging the termination of the agreement of sale with Riverhead Resorts LLC, so moved”

Councilwoman Giglio: “And seconded”

Supervisor Walter: “Moved and seconded, vote please?”

THE VOTE:

“Giglio, yes; Gabrielsen”

Councilman Gabrielsen: “Finally we have got the 800 lb. gorilla off our back, and I think the Town Board and the Town can now move in a different direction towards, hopefully a well thought out sub-division and I think we can, with changing this can now realize the real potential that this would be as an economic engine driving this town for this generation, future generations. So I vote yes”

THE VOTE Con’t:

“Wooten”

Councilman Wooten: “I didn’t originally support the Riverhead Resort. I thought it was a very ambitious plan. I thought that it wasn’t going to be regional enough to be sustainable. But I can’t help but realize what an impact they’ve had to the tax payers of this town over the last three years with their down payments and their extension fees, to the point where we’ve actually been able to keep taxes somewhat abated by their contributions to our town. So, with respect I have to at least acknowledge their willingness and their desire to find the value in the land that they wanted to purchase. This particular resolution terminating them by no means eliminates them. It’s going to go into a process where we’re going to sub-divide the property. I’m sure they’ll be part of the people coming back, probably at even a lesser rate in this market than they’re paying now. So, I don’t think this kills it, but I think it does enable the town to move forward without any obligation. So, I will vote yes”

THE VOTE Con’t:

“Dunleavy”

Councilman Dunleavy: "Again I'm going... we've got over 7 million dollars from these people for the resorts for the taxpayers of the town of Riverhead and not to give them until Tuesday, which is the date we were supposed to give them for 3.9 million and jumping the gun just because some people are aggravated, to do this today. I think it's a disservice to the taxpayers of the Town of Riverhead and I'm voting no"

THE VOTE Con't

"Walter, yes. The resolution is ADOPTED"

Supervisor Walter: "I have a prepared statement that we'll hand out and I guess we'll get a motion...There's no other Town Board business today"

Councilman Dunleavy: "I make a motion we close the Town Board meeting"

Collective response: "Aye"

Meeting adjourned at : 9:40 A.M.



# TOWN OF RIVERHEAD

**Sean M. Walter, Town Supervisor**

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**STATEMENT OF SUPERVISOR SEAN M. WALTER REGARDING HIS VOTE**  
**TO TERMINATE THE RIVERHEAD RESORTS CONTRACT**

**FOR IMMEDIATE RELEASE: November 12, 2010**

**Contact: Supervisor Sean M. Walter  
631-727-3200 Ext. 251**

Ding, dong the witch is dead. Today, we bury the Riverhead Resorts transaction once and for all. In doing so, I would like to be clear with the public as to why this drama has unfolded over the past three years and I would like to speak directly to the people of Riverhead, to be candid about, what some people see, as missteps by me during this process.

Riverhead Resorts was a sort of pay-per-view movie purchased by my predecessor. I always felt I knew how this movie would turn out but I was willing to give it some time just to be sure. Riverhead Resorts came into the process making grand claims and looking to take on a rather large project. Some felt they lacked a track record and most felt they would have trouble gaining financing. As we all know, the Resorts plans called for a ski mountain that, if built, would be the highest point in Suffolk County and sought to create a complex larger than Disneyworld. I think most all of us found this ambitious dream a bit much to fathom.

The previous town board, hearing the first footsteps of the coming recession, decided to contract with Resorts as a sort of "no-lose" proposition. After all, Resorts would continue making payments to hold their contract before they closed and those payments were non-refundable. Then the music stopped.

Resorts has been in arrears under the terms of its contract for some time now. Resorts has offered excuses and rationalizations but what hasn't happened is the money hasn't crossed the finish line.

Due to non payment, Resorts contract expired a number of weeks ago, the fact is, as we speak today, there is not an active contract between Riverhead and Resorts. A few weeks ago I voted *not* to formally terminate the contract we had among both parties. Some could not understand why I voted that way given my long track record of skepticism about Resorts. I did so for one reason: I left the porch light on and the door open for Resorts to possibly present us with a large check because these are difficult financial times and I could not on one hand tell town employees that they are losing their jobs when it was possible that we might reap a windfall from Resorts. I may have looked inconsistent, to some, but, if there was a shred of hope to avoid laying off employees and at the same time making our town's finances more secure, I was, and am, willing to pay the political price.

That may have looked inconsistent to some but if there was a shred of hope to avoid laying-off employees and at the same time making our town's finances more secure, I was, and am, willing to pay the political price.

That brings us to today. It is clear to this member of the town board that Riverhead Resorts cannot close their transaction with Riverhead. Months of excuses, platitudes, apologies, justifications and explanations have only left Riverhead holding the bag at EPCAL and this cannot continue.

I was willing to let the play unfold but it is clear that this is the final act. We need real tax base at EPCAL, we need businesses that will create good paying jobs, we need to subdivide the property at Calverton and we need to begin this process today, there is no time to waste, therefore, I vote to terminate our contract with Riverhead resorts.