

Public Hearing of the Community Development Agency held by the Town Board of the Town of Riverhead at Town Hall, Howell Avenue, Riverhead, New York on Tuesday, October 20, 2015, at 7:00 p.m.

PRESENT:

Sean Walter	Chairman
James Wooten	Member
George Gabrielsen	Member
Jodi Giglio	Member

ALSO PRESENT:

Diane Wilhelm	Town Clerk
Robert Kozakiewicz	Town Attorney

PUBLIC HEARING

Supervisor Walter: “It being 7:14 and this public hearing for the Community Development Agency was called to be open at 7:00 and it now 7:14 I hereby open the public hearing scheduled for Tuesday, October 20th at 7:00 p.m. for the Consideration of whether Luminati Aerospace LLC. and its Affiliate, 400 David Court LLC should be Designated the “Qualified and Eligible Sponsor” for Purposes of Entering into a Runway Use Agreement with the Town of Riverhead Community Development Agency (CDA) for the use of the Eastern Runway, Taxiway and Tie-Down Area Located at the Enterprise Park at Calverton (EPCAL). All my previous comments are merged into this open public hearing so again Mr. Isler will present, Mr. Preston will present, bring his team in to present, we’ll ask questions of the team and then open it up to the public and Luminati will answer questions as they can at the end, Mr. Isler.”

Frank Isler: “Good evening, my name is Frank Isler Special Counsel to the Town. Good evening to the public. As Councilman Wooten pointed out you’re sitting here in your capacity as the governing body of the Community Development Agency of the Town Under general municipal laws Section 507 you’re holding this hearing tonight to listen to and consider the application of Luminati LLC and 400 David Court LLC in their request to be recognized as an eligible and qualified sponsor to enter into a runway use agreement with the Town as set forth in the public notice. A draft to the agreement is and was in the office of the Town Clerk for review. The point of this hearing is for them to present to you their qualifications and their ability to perform the runway license agreement for the public to comment accordingly in the public hearing setting. Unless you have questions for me I’ll sit down and stop talking.”

Supervisor Walter: “I’m going to invite Daniel Preston up to begin the presentation from Luminati Aerospace. Mr. Preston if you could state your full name and your affiliation which I think I just stated for the record that would be wonderful.”

Daniel Preston: “Hi everyone my name is Daniel Preston. I’m the CEO and Chief Technology Officer and founder of Luminati Aerospace. Today I’ve prepared a short statement which I would like to read to you.

Luminati is an Aerospace Technology Company focusing on research, development, testing and manufacturing of next generation unmanned aerial vehicles or UAV’s.

Luminati is asking to be designated the qualified and eligible sponsor for purposes of entering into a runway use agreement with respect to EPCAL’s eastern runway.

Luminati recently purchased the facility at EPCAL in Riverhead for three point four million dollars. When it was choosing where to locate its business Luminati considered locations across the country including Calverton and multiple locations in the southwest.

Luminati was initially drawn to Calverton because of its runway facilities but Calverton also enjoyed a home field advantage over other potential locations because I was born and raised on Long Island. I’m well versed on Long Island’s roll in the history of aviation and was saddened to see how that roll had dwindled. I’m interested in doing my part in restoring Long Island’s prominent position in aviation and research and manufacturing.

The UAV’s that will be produced by Luminati will be solar electric. Our business will be high tech, green with little to no noise. The runway will be utilized by Luminati for testing of the UAV’s we build and support aircraft.

Luminati has recently commenced work on a multimillion dollar project involving research, development, testing and manufacturing of commercial UAV’s. The project is being funded by Luminati’s client which is a Fortune 250 Company that will use the UAV’s that we produce for public good.

Our client believes that public disclosure of its identity at this time would be premature but the list of companies in this space is very limited. The identity of our client has been disclosed to the Town Supervisor, Mr. Walter, subject to the terms of the confidentiality agreement and he can confirm the accuracy of the foregoing information about our client.

Our client has entered into an agreement with Luminati pursuant to which our client will fund the substantial upfront capital expenditures that are required for facilities, equipment and materials and make periodic payments to Luminati as specified milestones are achieved. We currently have over one point seven five million dollars in the bank and our insurance coverage includes twelve million in liability and property insurance.

Luminati has assembled a dream team of engineers and university professors to work on the project which will immediately create approximately forty jobs as it’s expected to take more than two years. Many members of the dream team are present tonight and I’m going to ask each one of them to come up, introduce themselves and briefly talk about his background and area of expertise. After hearing from them you will have a much better understanding of the expertise and a wide variety of (inaudible) that is needed to take a project of this complexity and I believe you will share their enthusiasm and excitement for this project.

After the initial project is concluded, Luminati plans to establish itself as a major force in the global, aerospace industry focusing on cutting edge, high technology aerospace manufacturing. Our manufacturing will trigger significant expansion of Luminati facilities and create a substantial number of additional jobs.

I and many of Luminati’s other key employees are moving to Riverhead and seeking roots here. Luminati believes this is a start of a long and mutually beneficial relationship between Luminati and Riverhead. I want to thank you all for your support.”

Supervisor Walter: “Mr. Preston you’ve given us this qualified and eligible sponsor submission. Is it your desire that we give this to the Town Clerk to make this part of the public record?”

Daniel Preston: “Yes.”

Supervisor Walter: “Ok then I’ll give this to you. Was there another submission or that was it? That’s it, ok, good. So we’ll make that part of the official record.”

Daniel Preston: “If it’s alright I’d like to introduce our Chief Scientist.”

Supervisor Walter: “Absolutely Sir.”

Daniel Preston: “Our Chief Scientist and cofounder, Dr. Anthony Calise.”

Dr. Anthony Calise: “My name is Anthony Calise. My personal background, I was born and raised in Chester, PA, the son of Italian immigrants. My father was a barber and I got my Bachelor’s Degree at Villanova University and my Master’s and PHD in Electrical Engineering at the University of Pennsylvania. While attending the University of Pennsylvania I got married. We’ve been married for forty-eight years, my wife’s right there and we have four children, eleven grandchildren.

After we were married we moved to Massachusetts and I worked for Raytheon Missile Systems division in Bedford, Massachusetts. I worked on the initial design of what we call today the Patriot Missile. I did the work for the group in the guidance and autopilot design for the Patriot Missile. Then I went to a smaller company called Dynamics Research Corporation where I actually built a group of scientists there doing research in a variety of areas in navigation and guidance and flight control mostly for the airports.

After spending about eight years at Dynamics Research Corporation I decided to go back to Philadelphia and became a Professor of Mechanical Engineering at Drexel University and I taught there for eight years a research program. Then I got the call to move to Atlanta, Georgia and I became a Professor of Aerospace Engineering in the school of Aerospace Engineering at Georgia Tech.

I built a pretty strong group in guidance, navigation and flight control. There I started the UAV laboratory that’s very active today. In fact it’s run by one of my former students who’s now an Associate Professor there and one of his students is actually part of our Luminati dream team. He’s sort of; I guess you can consider him my grand-student.

I’ve known Dan Preston since about 2004. I’ve always been very active in consulting work with various large aerospace firms and small companies particularly in the UAV area and Dan Preston contacted me in 2004 to do some consulting work on guided parafoils. So I developed the guidance in flight control systems for his guided parafoils when he ran a company called Altair Aerospace. Dan actually left Altair Aerospace but I continued working for Altair Aerospace for some time.

I hadn’t heard from him for about five years until March of this year. He called me up and he said “how’d you like to help me write a proposal” so I ended up actually being the lead person on the proposal effort. I helped him pull together the dream team. I selected about half of the

persons on that team. We wrote the proposal and to my great surprise it got funded. So that's why we're here today.

What else can I say? We're very excited about the project that's about to emerge. It's really the biggest thing that's ever happened to me and my career and the people we've attracted to this project are really the very best in the country in my opinion. So that's all I have to say."

Supervisor Walter: "Welcome to Riverhead, Sir; if you'd like to introduce the next speaker."

Dr. Anthony Calise: "Thank you, yes I will. The next speaker is Barnaby Wainfan and he's our Chief Aerodynamicist and I must say also add Chief Designer as well."

Barnaby Wainfan: "Good evening. My name is Barnaby Wainfan and as Tony said my area of specialty is Aerodynamics and Vehicle Configuration so I will be responsible for, it's a work already in progress, developing the shape and configuration of the vehicle we will be building.

Personal history I haven't been as luck as Tony in marriage so I find myself as a single father raising three daughters right now but I'm a New Yorker. I grew up in College Point even though my career has taken me away from here.

I'm a private pilot. I think like a lot of people involved with Luminati I fell in love with aviation as a very young person. I learned how to fly out of Deer Park Airport. I remember dodging F14's coming out of Calverton while I was learning and unlike a lot of other people maybe a few on our team I actually had a pilot's license before I had a driver's license. There was a full year it was legal for me to fly an airplane but not legal for me to drive a car to the airport.

My educational background is, I have a Bachelor's in Mechanical Aerospace Engineering from Cornell and a Master's in Aerospace from the University of Michigan. I've been working professionally in aerospace for thirty-seven years as an aerodynamicist and as a vehicle designer. I started my career at Lockheed. The majority of my career was at Northrup Grumman as a technical fellow which is the highest rank they have in the technical field. I've also been a visiting scientist at Cal Tech and an Adjunct Professor at the University of Michigan where I teach their Senior Aircraft Design class.

To date I have worked on twenty-one types of different aircraft that are flying or have flown. Two of those I've personally flight tested and I consider that to be one of my primary qualifications that I could flight test my own work and survive to tell you about it.

Several aircraft I've worked on are in current service with the US military services. One of my designs, one of the ones I flight tested won the Experimental Aircraft Associations Outstanding New Design Award in 1994 and more recently an aircraft that I was one of the lead members of the team for won the Robert J Collier trophy which is the highest award there is in American aviation. It's awarded for the most significant contribution demonstrated by actual test in the year.

I've known Dan Preston for probably fifteen years. I also worked with him at Altair Aerospace but on a different project than Dr. Calise. I've known Dan long enough to know that this is a man who does what he says he's going to do. He has succeeded in many things and I have no doubt that Luminati will be his next great success.

Dr. Miles Baker who you will hear from later is also a very accomplished engineer and who I've known for many years and had the pleasure of working with before.

You know if you look at the, if you every go to the Cradle of Aviation Museum at Roosevelt Field you will see what a persistent and vibrant aerospace industry once existed on Long Island. It's what I grew up watching. It's what inspired me

Supervisor Walter: "That's why we're hoping you guys can bring it back."

Barnaby Wainfan: "It's what inspired me and over the years it's faded away and I am very much looking forward to coming home and being a part of that rebirth and I thank you for your attention."

Supervisor Walter: "Thank you Sir."

Barnaby Wainfan: "And then I'd like to introduce Mr. Stefan Maier who is our expert on advanced materials and composite structures."

Stefan Maier: "Hello, my name is Stefan Maier. My expertise which I bring to Luminati and to Calverton is composite parts, composite building, composite fabrics.

Luminati's project we are starting on right now is relying on a very, very super light structure which you cannot make out of aluminum or out of steel so it has to be a composite which is made out of carbon, technical textiles and resin and my whole working life in that field so I started as a designer for machines to make fabrics so this way you can lay different yarns in different directions whereas the force and the strength has to be. I was a member of the team who designed the first machines who can commercially do that. That was twenty-five, thirty years ago but I started that and design machines for the half of my life and the other third I was a process one step ahead. I started to produce those fabrics for all industries and my last position is in North Carolina. I'm nine years in the states and I'm a CEO of a company who's producing textiles for the composite industry.

I came over here it was a dream to make a hundred million dollar revenue company one day. I reached that dream after eight years. When we started it was eight to nine million. I'm leaving now; right now I'm leaving three hundred and fifty employees where I started with thirty employees.

I founded three more companies during that time so we are doing also pipe relining in glass fiber. I opened a company in Brazil so this company delivers multi-actual fabrics more than seventy percent to the whole Americas.

Everybody would ask why I'm leaving that company. It's very clear, I'm, Tony said it very nice, it's a project of my life and I would like to join; I'm joining and I'm here. I'm employee number three of Luminati's. I have rented a house already and will be here after Thanksgiving I will be permanently here.

I little bit of my personal information. I'm married for thirty-four years, didn't reach Tony yet but I'm working on that one but I have also four kids and three grand kids. I have three daughters and a son."

Supervisor Walter: "Welcome to Riverhead."

Stefan Maier: “Thank you. The main thing is I will be responsible for the production here. I will hire a lot of people and I would like to give my expertise and the expertise of our dream team to the people of Calverton. That’s why I strongly ask support that we can get that runway.”

Supervisor Walter: “Thank you Sir.”

Stefan Maier: “Thank you. I want to introduce to Miles Baker, he’s our Structure Engineer.”

Supervisor Waller: “Just, Mr. Preston, at the end if you could, because we actually turn these minutes into written minutes. If you can give us a list of the people who spoke in order so that the Clerk can provide it so just so we have the spelling, the names spelt correctly that would be wonderful.”

Miles Baker: “My name is Miles Baker. Thank you very much for taking the time to listen to me and the rest of the team speak. I’m second best in so many categories. I’ve been married for twenty-two years and I only have two daughters and one son and I haven’t worked on twenty-one airplanes.

I do have a couple of other things. I do have a Doctorate in Aerospace and Mechanical Engineering from UCLA. I used to run a structural design group at what was once McDonald Douglas then purchased by Boeing and we used to say sort of tongue and cheek that my job was to keep the wings on; slight exaggeration but in any case over the years I’ve managed the people who figure out how thick does it need to be, how strong does it need to be. You know basically will it stay together in the environment that we’re putting it in for airplanes like some that you’ve heard of, A-320, A-330, 717, 767, 777, the new Dreamliner 787 on some pieces; some that you probably haven’t heard of X31, X37, X43 as well as some others.

One of the things that I’ve devoted my career to over the years is something called multi-disciplinary optimization; a big long word, a big engineering (inaudible). What it really means is comparing and contrasting or finding the best combination of all the things that compete in a design and for a design like this we talk about the paper thin structures, the fact that we have to hit these really, really aggressive weight targets. We have to have solar cells that work at all different conditions, batteries that work at all temperatures. There’s just a litany of really interesting technical problems and for me that’s what really gets me fired up about this project. I look at it and say “I could make a decent living for my family”. I could work on all kinds of things that probably sound really exciting to someone that doesn’t do it every day, you know the F35 or something like that but I can’t do this so this is a really an exciting project and I’m happy to be a member of a dream team and with that I would like to introduce Robert Lutz our Chief test pilot.”

Supervisor Walter: “Thank you Sir.”

Robert Lutz: “Good evening, I’m Robert Lutz. I’m the chief test pilot. I’m a local Long Islander; I was born and raised in Levittown. My grandfather was the one who got me into flying. He was a small time private pilot but he had such a passion that I’ve got pictures of being one and a half years old in the control tower at Republic so I was steeped in it. I started flight lessons at the age of thirteen, it was my birthday present from my grandfather and it took off from there. I wound up soloing at age sixteen which is the youngest age to solo. I acquired my license like

Barnaby before I could even drive so I had to be driven to the airport which I thought was BS. I mean I could fly an airplane but you won't let me drive a car yet.

From there I went to Embry-Riddle Aeronautical University one of the premier top flight school in the world and I did a four year degree there where I majored in aeronautical science and modern aviation weather which is fascinating and after there I started my career flight instructing, giving back. Whatever I learned I gave back to the community and it also helped me grow as a pilot. I've done everything from flying turbo props and jets to roto craft. I really just like taking life in awe. I would joke; I'd say I'd fly a shopping cart if you paid me enough.

So, it's really exciting to be a part of the team here. My function is going to be UAV, Unmanned Aerial Vehicle, what's a test pilot going to do, sit and twiddle his thumbs? Well, my goal, quite often UAV during development they're optionally piloted and that creates such a high level of safety that we consider that to be absolutely necessary in this project. So I will be able to help interface with all these different scientists which, this is unbelievable for me that to actually be able to work with these gentlemen and I can thank this all to Daniel Preston. It's a complete dream come true.

I will be interfacing with them to give feedback, practical feedback from all my flight experience on how the aircrafts responding and doing flight tests in a very conservative environment.

So, that's my function amongst many other things getting the office set up for right now and it's real exciting and we thank you for the opportunity to hear us tonight and thank you guys."

Daniel Preston: "I guess I'm last, I'll keep it short. I have a rather unconventional education. I was accelerated when I was young. I went to college at a very young age; I was twelve when I first went to college.

I left college and started my first company when I was eighteen, sold it in my early twenties. I guess you can call me a serial entrepreneur. I hold more than a hundred patents and pending patents in more than seventeen countries.

My work in aerospace for UAV's, I've been a prime contractor to almost every division of our government and Army, Navy, Air Force, Marines, a lot of the Special Forces and agencies not to be mentioned, NASA, DARPA. My work's also appeared in a number of museums. I'm in the collection of the Smithsonian Museum. One of my aircraft was actually displayed opposite the 1902 Wright Flyer with the explanation of "state of the art then and now". My aircraft has also appeared in the Metropolitan Museum of Art, the Cooper Hewitt and even the Wexler Museum.

We're very good at what we do; building things and developing them quickly and we look forward to a long stay here in Riverhead."

Supervisor Walter: "And we look forward to having you. Alright Mr. Preston is there's nobody else from your side of the industry if you could take notes I'll open it up to the floor to folks that want to speak on this project. If you could just line up along the wall and come up one at a time and state your name and affiliation that would be wonderful."

Larry Simms: "Larry Simms, South Jamesport. Before I comment I have one question for the Board, Sean perhaps it's for you. I'd like to know how the runway rental price was established."

Supervisor Walter: “It’s the same runway rental price that we had with Skydive Long Island and with the caveat that the runway needs to be repaved and maintained. The Town doesn’t maintain the runway, doesn’t pave the runway, doesn’t sweep it, doesn’t plow it and the runway’s in a serious state of disrepair so in this price is factored in that they have to completely maintain the runway and it will require paving within the next ten years and they will be required to do that.”

Larry Simms: “Thank you. I doubt anyone in town is more enthused than I am about cutting edge aerospace coming back to EPCAL. I think it’s great that these gentlemen and their colleagues have come to invested in both commercial and residential real estate, it’s great for the community. Obviously they’re going to bring the right kind of jobs that we’ve been looking for for a long time and certainly nothing I’ve heard tonight causes me to have any questions or reservations about what they’re undertaking or its impact on the community, non what so ever and I hope these gentlemen that have shared their aspirations with us don’t take any of my comments negatively.

All I want to talk about is their use of a key Riverhead asset and as in any deal it’s necessary to look at the details. When I saw the runway rental price it prompted me to call Town Hall and ask is this for exclusive or non-exclusive use and I was told to come here tonight for the answer.

Before I came here I got a copy of the contract and I read it cover to cover and I have to say, not to be melodramatic, but it struck me as maybe being the most lopsided real estate deal New York has seen since the Dutch bought Manhattan for twenty-four bucks. It favors the tenant obviously. I am confident it is not their intent to take advantage of us but a number of things need to be considered.

My comments are in three sections and I will talk first about the price they’re paying and the value. We’re looking at fifty acres on the runway alone plus five acres for a drop zone plus the taxi ways for a total of a little under thirty-two thousand dollars a year. What that works out to is fifty dollars per acre per month or a total of two thousand six hundred and fifty dollars per month without any escalation, any prospect of escalation for the next thirty years other than cost of living.

Now, a point of reference is Hurricane Sandy. A couple of years ago we hosted cars on the west runway at a price of thirty-two hundred dollars per acre per month which is more for one acre then they will be paying for the entire fifty acres that they will enjoy the exclusive use of. You could also look at it as with thirty percent less runway we earned millions from storing those cars for a few months whereas this runway and the associated space we’re going to max out at less than a million dollars total income for thirty years. I questions whether that’s a good deal for us.

Another way I look at it is the use of the runway is a resource and it can be measured in time. If you look at the number of hours available during the course of the year and I’m assuming there will be no instrument flying, just daylight hours, it works out to about eight bucks per hour to rent fifty plus acres. So we’re talking about a seriously large runway in generally good condition to run experiments, test aircraft and do whatever Luminati, or the guests, or their customers want to do for less than the price any of us would pay a babysitter.

I think the idea is great and I want to see it happen but I don’t think we’re talking about serious compensation here. I think it’s a problem. There are other problems when you look at the terms. Now I’m aware that Riverhead gets a lot more than the rental fee from this deal. We’re going to get good jobs, no question, but the deal is not contingent on jobs or on anything else and it needs to be evaluated independently and priced fairly.

There's been talk about the fact that Luminati would be a manager of the runway which is great. I understand the need for it; we can barely manage handling East Creek Marina. This is not something we want the Town to do. Luminati is likely a great candidate to do this provided that it's a fair deal for us. Typically a manager would either operate on a flat fee or on a percent of the revenues. Percent of the revenues is great because it gives them an incentive, maybe fifteen percent of the gross. But a deal allowing the tenant to keep a hundred percent of whatever they bring in is unheard of and that's what the agreement calls for.

Luminati would have exclusive use of the runway meaning that no one uses it unless they agree and they set the terms and conditions. Those terms and conditions can include any fees they choose. So if they find someone, a sister company, anybody interested in the space, for any reason, they could charge a thousand dollars an hour for use of the runway. Riverhead would continue to get eight bucks. I don't think that's a good deal for us.

In contrast the Town gets no votes on who uses the runway. Any owner at EPCAL and I presume that would extend to any tenant, would be automatically approved and in fact the deal as written is so loose that Luminati could sell shares or ten twelve foot stakes in their space to anybody else making them technically an owner meaning technically they're approved. Riverhead would have no control and no voice.

Now I've talked about the fact that this is a thirty year commitment for us. Luminati can stay that long and the rent is guaranteed not to increase beyond the fifty dollars per acre per month. We have no way out. One of the most important and sometimes the most interesting sections in a deal is the termination clause which spells out the circumstances in which one or the other party can end the deal. This deal actually refers on page one to termination. It says quote *unless sooner terminated as provided herein* and then it fails to provide *herein*. There are no termination provisions here. If they fail to pay their rent certainly the Town as landlord or the CDA as landlord could take action against them but the rent is so nominal it's meaningless. There are no indicated conditions or circumstances in which the town can bring this agreement to an end. Remember we're talking about a thirty year commitment.

Let's look again at considering Luminati as a manager. I can't imagine hiring a manager for any business with no goals or no performance standards by which they would be judged, but that's the case here. There's no promise of jobs. No specific promise. There are no objectives for runway use. There are no targets to using this asset to attract other compatible businesses and jobs, there's nothing. So if we're happy that's great and if we're not happy it's not great. They're here either way. There's no, nothing built into this agreement which allows us to gage their performance. We have set no standards, no goals. It's a problem.

Sean you talked about maintenance and repair and I understand that as written this is unquestionably the tenant's responsibility but it's also their sole judgment whether work needs to be done, not the town's. If paving happens it must satisfy the CDA and the town engineer, no question. But whether work is required is solely up to the tenant. They might say we're doing vertical takeoffs, and landings, light weight craft so there's no need to keep the runway in a quote, "safe and usable condition for conventional aircraft."

Now it may be their intent and again I have no reason to question anything they say they're going to do. It maybe their intent to repair the runway all I'm pointing out is that the agreement does not acquire them to do anything.

Another concern is insurance. We heard tonight that they have twelve million dollars of liability insurance in place and property insurance which is great. I don't understand why the agreement with the Town is limited not only to five million dollars per incident but five million

dollars annually in aggregate. So if one aircraft goes down and there's a lawsuit are they going to stop operations until the next year kicks in and they have another five million dollars of coverage available? I don't think so. It does not seem amble. It's the kind of insurance you'd ask for retailer's downtown.

There are two environmental concerns. In the agreement the use of hazardous substances is severely restricted unless they are customarily used in connection with permitted uses. Now I understand that there's talk of green aircraft and these are going to be solar electric, we think and I understand they're not in a position to disclose anything beyond that; but the agreement says they can do whatever they want. If an opportunity comes up a year from now that they're not even aware of today to build something with hydrazine based rocket fuel and they want to do it, they can do it with no limits on what can be stored or how much can be stored and not even a requirement to inform the town. We just went through this with URT where the town fire marshals were completely ignorant of chemicals being stored in large quantities. I don't think we want to do that again. At minimum the Town needs to be informed.

The other environmental concern is that the tenant is expressly allowed to clear large numbers of wildlife as necessary to enable them to conduct their business. Again, this is totally at the tenant's discretion. There needs to be some oversight. I understand it's written to insure that the Town is not burdened with keeping the runway free of deer but there needs to be some oversight and accountability.

Now I've been critical of the IBA recently for doling out benefits to company's already committed to being here. This situation is similar to a degree in that Luminati has already bought a commercial facility and many of these people have already lined up residences. I'm not suggesting that we gouge them because they're already stuck because they've made a commitment. I'm simply saying that I don't want to take advantage of them anymore than I want them to take advantage of us. This needs to be an equitable transaction and as written there is no equity for the Town. We're talking about a very long period of time, a very large resource and we need a fair deal. We want this to be a lasting and mutually beneficial relationship. There needs to be concern given to the value of Riverhead.

Sean, I know you would like to make a mark as the guy that brought aerospace back to Riverhead, I think it would be great and I would be happy to give you credit for that."

Supervisor Walter: "Larry, I don't want credit but I want to tell you something. There are other states that were going to pay them to come, pay them to come, so against that backdrop I want the residents of the Town to understand what you're saying. Give them money verses they're going to give us money to maintain a runway. I understand what you're saying and in a perfect world everything you're saying makes sense but when you're competing against other states that are going to pull out the checkbook and they chose here, honestly comments they don't seem to make sense to me against that backdrop but I'm not here to bring for my benefit anything, this is for the benefit of the residents of the Town."

Larry Simms: "Sean, this was an extremely impressive presentation. We got a contingent of brilliant innovators here and I just hope that you are not so impressed with that that you don't consider the value of what we own. I'm suggesting that the details are important and if you think that maintaining the runway is an essential thing that these people will bring then the deal has to be written so that they have an obligation to maintain the runway to a specific standard and there has to be some accountability to the Town. As written today, it's not there."

Again I'm not suggesting that anyone is trying to deceive us but the details need to be attended to. At minimum I would suggest putting runway management out for bid, establish a market price for the runway time, the utility of these fifty acres so we know what it's worth. Get the qualified sponsor to agree, they're obliged as qualified sponsor to agree to any higher bid price. Give them a right of refusal so that they're guaranteed to have all the time that they need for their own operations. Do this right, thank you."

Supervisor Walter: "Mr. Maynard."

Ray Maynard: Good evening Mr. Supervisor and Town Council, Town Board members. First I'd like to say I'm Ray Maynard, Skydive Long Island. Before I talk about Luminati very quickly I would like to thank the Town for the fifteen years of support everybody came me out at Calverton because without the town supporting what I had I would not have been able to build my business to what I did. But tonight's not about me or Skydive Long Island, it's about the new tenant Luminati.

I met Dan Preston about a year or two after I moved into Calverton and he was working on a project and he needed a little bit of space to test out what he was doing with some little tiny rockets and some carbon fiber things and I let him do that and we had a nice relationship. I didn't charge him anything and he went his way and I went my way.

He contacted me early this year and reminded me of who he was and how we met at Altair and he was looking for land to bring his company to that and he asked me if I knew of any land and a building that was for sale at Calverton because he liked what he saw. I said well there's nothing but mine and he goes no, no, your place is too small because he had seen where I was at renting from Jan Burman so I told him I moved into the Voychek Hanger which he wasn't familiar with. I described what it was, twenty-three thousand square feet on sixteen point three acres on the runway with a fuel farms. He goes I'm coming out tomorrow. He came out the next day and saw what we had and he knew about Riverhead. He was given the job to choose where Luminati was going to be located and he wanted to be on the east coast and like you said there were a lot of other places they could have gone but he told me, this is where I want my company to come and he told me he was going to be bringing high tech, high paying jobs to this Town. He didn't have a contract at the time. It was a very kind of crazy deal that went on for almost a year between us, not know if it was going to happen or not but it happened.

When I first moved in a lot of grumblings about crazy skydivers, seasonal jobs, what's that doing for Riverhead? Everybody was talking about gee I wish we could get high tech, high paying jobs back in Riverhead. Well now you've got it and now it's your job, everybody on the Town Board because they meet the requirement of the zoning, they meet the requirements of the laws, they meet the requirements of everything that they need for the five of you to vote yes on this because you said you wanted this all the time so I'm asking you to put your money where your mouth is. Thank you very much."

Supervisor Walter: "Thank you Mr. Maynard."

Glenn Suss: "Good evening, my name is Glenn Suss and I represent a company called Thermal Corporation. We manufacture computer numerically controlled machinery that are the key machines used in fabricating structures that will be used at Luminati.

I've lived in New York all my life. I'm sixty years old, the last thirty-five years on Long Island. I've watched businesses in the aerospace industry leave on a steady progression. We've seen Fairchild go, Republic go, Grumman greatly downsize. Further out in New York I've seen Schweitzer Aircraft move their production which is Corsair Company to India.

This is an opportunity to bring business back to Long Island, badly needed business, high paying jobs and I would strongly urge we do whatever we could do to support this and help them get started. Thank you."

Supervisor Walter: "Thank you Sir.

Michelle Clark: Hi my name is Michelle Clerk. I'm a graphic designer that has worked for Daniel Preston's last company in Red Hook, Brooklyn. For those of you that don't know Red Hook twenty years ago was one of the most dangerous neighborhoods in New York. When I started working there I couldn't even get a taxi driver to take me to the neighborhood because they were concerned for their safety.

I started as an intern there. Four years later I'm the Vice President of four companies that Daniel has set up in Red Hook. I can say with complete confidence that Mr. Preston has changed the community of Red Hook. He's taken an empty lot and he built a jewel.

Not only have we created jobs for local neighbors the value of the properties have increased drastically and he's paved the way for new business to enter into the market in the last twelve months. We've also worked with Red Hook Initiative working with other local business and creating economic gain for everyone.

One of our most recent accomplishments was working with City Hall to get a permit to throw our annual party in which we partnered with a local, vital charity called *You Gotta Believe* in which they create permanent homes for foster children and lasting community relationships for foster kids coming of age.

The Deputy Brooklyn Borough President, the Councilman and the Congresswoman all attended this event to address the huge, the thousands of people that (inaudible) through our neighborhood from all boroughs since we started annually three years ago.

I've known Dan for a long time and I've seen him create long term goals that are almost unachievable but he has a knack for inspiring people, pushing them and having them exceed expectations so when they enter the market they're bringing something not only innovative but impressive compared to their competition.

When I worked with Dan at his company it's been chocolate and whiskey. He was under a strict five year non-compete so I can imagine what he could accomplish now that he's back working in his true passion which is aerospace. Thank you."

Jennifer Miller: "Good evening ladies and gentlemen, my name is Jennifer Miller and I am the first local hirer to Luminati. Prior to joining Luminati on October 12th, I spent seven years at North Shore LIJ Health Care System and why would you leave there because where I'm going, what I'm doing now is far more exciting than anything ever before.

I am very excited to work in such a dynamic and exciting environment and working with this dream team, we're going to go places and I'm very excited to be here. Thank you for listening."

Supervisor Walter: "Thank you very much."

Brian DeLuca: “My name is Brian DeLuca. I wore an aerodynamic vest today in support of Luminati. Some of you know who I am. I am the Executive Director of the Long Island Aquarium and the Hyatt Place Hotel and the marina and the banquet hall and all the great stuff we have here in downtown Main Street.

I also am the President of the East End Tourism Alliance which we struggle to build our tourism industry on off times of the year and shoulder seasons as we call it.

(inaudible) and other organizations and there is an ongoing conversation of the brain drain on Long Island. I’m not sure how many of you heard the expression but losing those millennials twenty-five to thirty-five year olds moving off the Island because there’s not really good jobs for them and there’s an assortment of issues that we face but having the opportunity to get this Luminati Company here in Riverhead is a gift that you should embrace because just the way the Cradle of Aviation was referred to if you go there and you read about some of the industries that were around Grumman at the time there were sixty plus companies that did the widgets and the springs and all these other things that supported the main industry there and only you can envision how potentially a company would, this vision and this opportunity for growing a solar panel type of drone system for us in Riverhead is tremendous and you know I support it a hundred percent. I understand there’s some dynamics with the contract, with the runway that’s small potatoes to sort out when you have the opportunity to embrace a company with the dream team.

Work out the dynamics. I know Larry had some serious concerns. They’re small potatoes when it comes down to it and sort out the dollars and sense of it, some of the contractual things that were of concern but take the opportunity. This company could go anywhere in the United States and they’re coming to Riverhead and it’s a gift; embrace it and I assure it will grow around it. Thank you.”

Matt Stevens: “My name is Matt Stevens. I have a business in EPCAL. We have a few buildings, we have a few hundred employees that from the city to Long Island. We do construction. I want to welcome the new neighbor. They’ve been extremely friendly. They come over to us; they’ve asked questions, we’ve been working back and forth. I’m impressed with the group, it’s just amazing. You know breaking it down to dollars and cents like the gentleman before just said and what you said Sean that other states have, wanted to pay them to come and you know you can break it down to eight dollars an hour or whatever it is, honestly I think, my opinion, Riverhead should be giving them the free use of that runway.”

Supervisor Walter: “You know it’s interesting that you say that. We put a proposal together to give fifty acres to the FAA for free and hook it up to build the FAA facility there, give it for free and hook it up to all utilities and this Board supported it and went out of its way and did presentations and everything and the FAA wasn’t bringing any new jobs they were just relocating jobs from another part of Long Island so it’s interesting now that we would even have this conversation where we were going to give the property away. This is cutting edge.”

Matt Stevens: “We’re back again and I mean I have employees, they eat lunch at the local businesses. Some of them are local residents. I’m not a local resident but I pay a lot in taxes to Riverhead.”

Supervisor Walter: “You could move here.”

Matt Stevens: “I could, I love Riverhead. It’s a quiet operation. Aviation is phenomenal. It’s like the rebirth of Grumman. I mean it’s incredible what these people are going to do. I hope you welcome them with open arms. I know I am and I’m ecstatic they’re here. Thank you.”

Supervisor Walter: “Thank you Sir.”

Elliott Mazzocca: “Good evening Council, members of the community, residences. My name is Elliott Mazzocca. I’m a business owner at the Calverton Enterprise Park. I’ll talk very little about myself because my wife is here tonight but twelve years and nine months ago I began a journey with a hundred and fifty dollars in my pocket and that journey began out of necessity; both to survive, succeed and show my family what I’m capable of. Twelve years, nine months later not only am I a business owner in the park, I own real estate in the park as well as now living in the Town of Riverhead. I can honestly say I live, work and play in the Town of Riverhead.

What wasn’t mentioned tonight about this amazing team is passion. We have doctors, engineers, test pilots, visionaries, but they all share one common thing, its passion. This is my first Town Hall meeting and I came here tonight to support passion. As far as balance in our community, completely understand what the will of this runway and equal understanding to create balance, that could be worked out in dynamics, financially and responsibility.

What Riverhead is about is a rebirth. Grumman may have closed its doors but like any cycle in life, rebirth begins and I’m all for rebirth, technology, vision, future. Not only will they create electric aircraft vehicle ran by solar energy it will spawn new energy companies in this field. It will spawn ways to create more infrastructure and building with technologies and solar energies. That’s what happens in rebirth.

Twelve years, nine months ago I came to Calverton with a hundred and fifty bucks in my pocket but I had to prove to my parents then I was all full of piss and vinegar, never graduating from any type of college, yes I don’t have a degree in anything but I got a degree in living the hard knocks life and determination by doing good things and when you do good things in life, good things come back to you but you have to go through a lot of pain and suffering but what doesn’t stop an individual is passion.

I can honestly say I’m the first to pioneer five Axis CNC machinery back in the park, you know back in 2009 and 10 but before that I was pioneering three Axis CNC machinery, self-taught. Now we have three, four, five, six and seven Axis CNC machinery. I’ve been able to speak at world forums at the International Industry of Things with Microsoft representing large international companies and there I am Lido Stone Works, very small company and industry that started with honestly myself, some key people and we’ve grown to be over a hundred strong and trust me when I tell you about pain and suffering. But what didn’t stop me is passion.

I believe tremendously in technology and education. I believe that this dream team that stands before us will put in our environment more than what technology represents in our future they’re going to put back what Long Island lost and that’s a soul, a soul of great engineers, soul of great mechanics, a soul of great pilots and the soul that creates this beautiful Island.

A lot of immigrants came to this country. I myself are a product of immigration, my mom and dad both Italians so I’m a first generation American but I can tell you this, balance is everything for this community, for this town but also a balance in our technological equilibrium. So I’m pretty sure allowing this great thing to happen for the Town of Riverhead we will see great things to come. Thank you.”

Supervisor Walter: “Thank you.”

Angela DeVito: “Angela DeVito, South Jamesport, good evening. I don’t think there’s any question of anyone being in opposition of allowing this project to go forward but I think that given some of the questions that have been asked about the subject of this public hearing was qualified and eligible for purposes of entering into the agreement on the runway do need to be addressed and I would like to have a response from Luminati in that if the terms of the contract which you have yet to sign Is not signed because there hasn’t been a Town resolution directing that the contract go ahead and be signed would you have gone elsewhere? Would you go elsewhere if those exact terms were not in that contract?”

I know that Mr. Maynard has pointed out that you came out and want to be on the eastern seaboard and actually were looking and did some work utilizing the runway and I would have to ask where else, first of all is that runway essential to your operation for what you need to do? I’m not a scientist like the team that you brought here, I’m a public health scientist but not aerodynamic aircraft scientist, is that runway crucial and where else and what other state would you have a ten thousand foot runway available to you and would you go away if indeed the terms of that contract were to change? Thank you.”

Supervisor Walter: “Thank you. Good evening Sir, state your name and affiliation for the record.”

Ed Ryder: “Good evening, my name is Ed Ryder from Calverton. I have one question basically for Luminati and for the Town Board and that is do we have FAA permission to fly drones in our area?”

Supervisor Walter: “They can answer that question for you when they come up.”

Ed Ryder: “Ok, great, thank you.”

Supervisor Walter: “That was quick, thank you.”

Greg Fischer: “Hi, I’m Greg Fischer of Calverton. In my professional career one of the things I did was own a very successful software company and I understand the challenges that these gentlemen, these ladies and gentlemen will have in technology.

A Technological lifetime is very, very short. We talk about you know, dog years, seven to one human year but technological lifetimes are far shorter than that so my rising is just to talk about the urgency of negotiating quickly so as not to put these gentlemen at any disadvantage. Thank you very much.”

Supervisor Walter: “Thank you very much Sir.”

Nicholas DiPierro: “Good evening gentlemen and lady. I hate to be last, I hope I’m not.”

Supervisor Walter: “If you could give your name and affiliation.”

Nicholas DiPierro: “My name is Nicholas DiPierro. I am a retiree from Grumman Aerospace, there’s not too many of us left. I worked there approximately two months shy of twenty-nine years. I was on the A6 program and then I was a planner in the budgeting department. So, I had one of the worse moments as I’m sure many of the Riverhead residents had when Grumman announced the closing in 1994.

It’s good to see another aerospace company coming back. It would be good also to see them grow in the volume Grumman once was. They had about thirty-five hundred employees at Calverton. At their zenith they had thirty-five thousand.

I was in Bethpage and I was, but I would like to welcome Aluminate here, to the Town of Riverhead but one of the questions I have is if they have exclusive rights to the runway? Do they have the option of shortening that runway as it was once mentioned that it was going to be shortened to seven thousand feet?

Supervisor Walter: “I actually can answer that; they want the whole ten thousand foot runway. The agreement is for the ten thousand foot runway.”

Nicholas DiPierro: “Ok, it was also mentioned that they’re going to repave that runway. That runway is approximately eighteen inches top to bottom. It is able to handle heavy aircraft such as the A6 and the A14. In the event that we have another crisis which had happened approximately a month ago where the pilot was looking to land the aircraft and he was directed to the unused Bethpage runway and he was not able to land because was unable to reach it. Would a pilot in distress be able to use that ten thousand foot runway and if it’s going to be repaved it also has to be repaved to the depth that it was established which is approximately eighteen inches. You just don’t put black top on top of that runway.”

Supervisor Walter: “Nick, I’m not an expert, I’ll let them speak about that. I’m sure the pilot could land on the runway. At this point there’s two runways there and there’s no control. The one thing I do know about the runway is it’s in such a sad state of repair that I have made mention to the Town Board before that there will be a point where the town has to shut the runways down.”

Nicholas DiPierro: “Well that’s what happens when you have a highway that’s made out of cement, you don’t use it, it’s going to crumble. I’m sure that runway is crumbling as well and if aircraft are going to be lightweight is there any reason for them to not repave it with blacktop? That is one of the answers we’re going to need and is there any interest in them using the seven thousand foot runway?”

Supervisor Walter: “I’ll let them answer that question. Thank you.”

Nicholas DiPierro: “Ok, thank you.”

Supervisor Walter: “Good evening, if you could state your name and affiliation for the record.”

Dave Cregman: “Dave Cregman, Ridge, New York and I would just like to personally thank the team here at Luminati for bringing aerospace to Long Island. I grow up, my

grandmother's late brother, Rob (inaudible) worked on the lunar module for Grumman here on Long Island and the team that worked on it actually signed a piece of microfilm and put it on the base of the flag that's on the moon right now and that's hugely inspirational to me and I feel like they're bringing that level of inspiration back to Long Island and I'm one of those, you know, mysterious millennials who struggles to find adequate, inspirational work on Long Island and I think this is a great opportunity for the region and I love these citizen watchdog groups that are knit picking the contract and that's great and important in a free society but the dividends of this project will clearly pay. They can build a brand new airport once the dividends pay out so the concerns about it, I hope you iron out the contract details but big picture, long term this will pay hugh dividends for the region and so I fully support this project and thank everyone involved for bringing this here."

Supervisor Walter: "Thank you Sir."

Ken Kranz: "My name is Ken Kranz and I live in Sayville. I work for Cognizant Corporation. I'm their Associate Director of Big Data Solutions and I'm focusing specifically now day on UAV's and I have no affiliation with this company although I would like to join the dream team. So, I can answer quite a few of the questions that were asked here.

Are you aware there is a UAV test facility upstate New York which is FAA approved? It's the old Griffiss Air Force Base and it has now been turned into a UAV test location. It is probably a better location for them to be in then here.

I was up there just a few weeks ago. My point is it's amazing that they're thinking of coming here. The doors are open up there for them to come in any day of the week. They have tons, I've been there, I've flown my Cessna 172 in there and I've landed and taxied for five hours because the airport is so big to get to the FDO passed all these empty hangers and they are focusing just on UAV's. If you can lock these guys in here and to answer just some of the questions, as far as repaving goes just so, just to point out the facts, they are repaving up at Griffiss right now and they're ripping up the cement and putting in blacktop."

Supervisor Walter: "We don't care."

Ken Kranz: "Just telling you what the options are. Get this company in here. You'll regret it if you don't." Thank you."

Supervisor Walter: "Thank you Sir. Anybody else wish to be heard, yes?"

Julio Cutana: "Hello, my name is Julio Cutana and I live in the town of Baiting Hollow. I'm very excited to have this company come to Long Island. I think it's fantastic for the aviation, for the high paying jobs, for all of that.

I actually in inquiring as to, you know we live in a town where a lot of older people live and as such they may not be in the IT industry but is there going to be a focus towards skill sets and in particular will we have the ability to obtain some of those skill sets to be able to partake in this particular environment?"

Supervisor Walter: "For the elderly?"

Julio Cutana: “Yeah, for the elderly, right. For people who are still in the job market”.

Supervisor Walter: “They can answer that question when they come back.”

Julio Cutana: “Ok, great, thank you.”

Supervisor Walter: “Thank you Sir. Anybody else wish to be heard? Alright, I’m going to wrap up public comment. Frank do you want to make your comment first and then, Mr. Isler is part of the town legal team, our dream team.

Frank Isler: “Very, very briefly I just wanted to comment and put into perspective for the Board, an important point of the purpose of this hearing and the underlining purpose of the urban renewal law that we’re operating under for this hearing.

There’s been discussion of the terms, the financial piece of the deal, the terms of the lease and those are important considerations for the Board to certainly look at. The particular section that we’re operating here under state law contemplates that urban renewal projects will be done outside of commercial, competitive bidding rules, that we find qualified and eligible sponsors for a project, there can be, you were talking about the FAA, there can be no charge for property to be sold by a municipality for an urban renewal project that’s found to be acceptable by the governing body. There can be no market value requirement for any of your transactions.

The Town was deeded title to EPCAL by Congress to make up for the loss of industry when Grumman left and the urban renewal plan that your operating under here is intended to bring back commercial, industry employment that was lost in Grumman and when you’re making your decisions as how you want to handle this particular application you don’t have to consider any of these aspects but the key to you should be the urban renewal generation jobs and industry here and certainly in negotiating the price and terms of the lease, those are important but the stature requires the most prominent focus of beyond the urban renewal piece and that’s all I wanted to say.”

Supervisor Walter: “Thank you Mr. Isler. Mr. Preston, if you could answer the questions you could answer. I’m sure there are some that probably can’t answer but if you could step up and have your team or yourself answer the questions that would be great and what we’ll do is we’ll leave this open for written comment till October 30th at 4:30 p.m. in the Town Clerk’s office.”

Daniel Preston: “In the beginning there were a lot of mention about the terms of the contract and the thirty-one thousand dollar agreement. I’d like to point out that in all the situations that we’re looking at for various locations this is the only one that’s requiring us to pay and that being said the way this came about was the existing runway use agreement the previous owner had maintained and operated under we basically left it completely alone. It’s the same that was used before for I believe almost fifteen years.”

Supervisor Walter: “Similar, now you have to maintain it and pave it.”

Daniel Preston: “Yes, that was added in which I don’t want people to underestimate the cost of it, we’re talking about a tremendous amount of money so to actually talk about the thirty-one thousand dollars and try and raise it up, it’s suing us.”

Supervisor Walter: “We got it.”

Daniel Preston: “That caught us off guard because what was asked of us was to throw in millions of dollars more to maintain it. As far as the issue on exclusivity, we’re not getting exclusivity, we’re getting a controlling right on the runway with the agreement that anyone else who’s an owner in EPCAL will get to use it as well and we had no intention of charging any fees what so ever to any other owner in EPCAL. But, someone has to actually de-conflict the aircraft that’s coming in there so just the same as Ray Maynard before us had we would have that right. We’re not there to run an aviation business, a commercial aviation business, nor does the Town I believe even want that so you couldn’t get a standard FSBO in there, there’s no model by which revenue is generated from the other EPCAL owners bringing aircraft in and out of there. The revenue model is us bringing money to the area and discussed under the confidentiality is the amount of money that we’re bringing far exceeds in two years anything that would be done by the parking of cars over the entire term of this contract. We’re not talking about small numbers and I know the Board members are aware of this.

There was a question about whether the FAA would permit what we’re doing. Nothing that we’re doing will be outside of the rights that we have to fly. We will observe all rules, regulations and laws. That should go without saying.

Someone mentioned about putting things out for bid on running a FSBO. That’s only a valid suggestion. If the town wants to run a real airport.”

Supervisor Walter: “Fixed space operator which is precluded under our zoning to have a fixed space operation. Our fixed space operator only allows us to have people use the runway that have businesses in the runway and you need to have somebody de-conflict as you said the aircraft that could be coming in and out and the Maynard’s did that previously.”

Daniel Preston: “There was a question asked too whether there’ll be skill sets for people other than high tech computer jobs and what not. We’re absolutely are a hugh number of positions to fill for a machinist, technicians, fabricators. This is not just you know high tech PHD decrees. We’re here to do R&D but small volume manufacturing over the next two years and we’re in this for the long haul. We’re here for large manufacturing contracts and aerospace contracts are not small.”

Supervisor Walter: “In the future you could I guess compete for defense contracts and thing of that nature?”

Daniel Preston: “Absolutely and every one of my team here including myself has been highly successful in landing some of the most highly competitive contracts there are within the military and you know initially there were some negative comments about doing work for the military. I took a little offense to that because I find no great honor than to produce lifesaving equipment for various members of our service and various agencies. It’s what I’m most proud of in my career.”

Supervisor Walter: “Does the Board have any questions?”

George Gabrielsen: “There’s another question that I think was asked out there, the possible use of the seven thousand foot runway in the future. How real is that?”

Daniel Preston: “What we discussed with Town Supervisor Walter was if we were able to secure the runway use agreement we would then in good faith enter into negotiations with the Town to purchase the other runway, the inactive runway.”

George Gabrielsen: “Purchase or lease?”

Daniel Preston: “Well, purchase I think would be more appropriate. It’s our intention to preserve the functionality of the airport and then further, you know the industry. A company like ours requires a lot of support and a lot of additional companies. If there’s no space for other people to come in, if the airport is hampered in its ability to operate, that’s just going to shoot ourselves in the foot.”

George Gabrielsen: “And I guess we understand why the use of the other airport would be what, weather conditions to come in.”

Daniel Preston: “Typically airports are built with two runways so if you have adverse wind conditions from one you can land on the other.”

George Gabrielsen: “Ok.”

Supervisor Walter: “Any other questions?”

Councilwoman Giglio: “I just want to say I’m thrilled you’re here and I’m thrilled that you’re bringing aviation back to Calverton without the noise that was affiliated with it because I know that the drones are very quiet and the helicopters that you’re proposing to use it are quiet.

I’m looking for, create a road map to success for you and I’d like to create a nexus, a partnership with you, with the county, with the state and with the federal government to subsidize the operation and subsidize the other manufacturing jobs that come to town. I also want it to be beneficial to the residents of the town because the runway is the biggest asset in my opinion that the town has and I’m looking for form a nexus with you with our education system and with the school system and with BOCES which is our community college that has an aviation facility and looking to put into the terms of the contract something having to do with internships and local jobs and where you pull staffing from and educating and training our residents starting at the younger age.”

When I first took office I attended Reilly Avenue School where they had a connection with the International Space Shuttle that passed over and it was amazing to see how excited these kids were to be involved and to be able to communicate with the astronauts. I think it’s amazing that you’re bringing history, the history of the lunar module where the testing took place at the Calverton facility and I applaud you and I want to support you and I want to help you to come here and be successful.

I just as a Town Board member have to take into consideration what the benefit to the Town are and this is our biggest asset like I said and for a long time, for twenty years the taxpayers

have been waiting for some relief and something to finally spark at Calverton and EPCAL and you've done that and I think the entire Board can agree on that.

I think the fact that the terms of the contract were negotiated without the Town Board partaking in that process I think it put a perception out there that you're not welcome but you are and like I said I'm excited to have you here. I just would like to discuss with you further the terms of the contract to see if we can put a community benefit into the contract that would be beneficial to all of us."

Daniel Preston: "Let me first say we've already given, we're in contract, we're about to close on two contracts to two universities totaling one point five million dollars. We have meetings that are being set up with the head of Stoney Brook and Brookhaven to do similar programs locally here.

One of the big sort of concerns about of a number of us here, especially all the pilots involved in Luminati is that the golden age of aviation is really coming to an end. All of our heroes are very elderly or passing away and the new era of pilots are learning on digital, you know glass cockpits and simulators, you know. The stick and runner skills we all learned are not really being passed on and so we've already discussed whether it would be possible to air shows, to do educational outreach sort of get the younger."

Supervisor Walter: "Don't go too far afield. We did an air show."

Daniel Preston: "We'd like to talk, you know we'd like to keep interest, you know, a new crop of pilots of course. That being said I'm a little concerned, maybe a little confused, maybe I completely misunderstood but in the last meeting I thought you had said to me that the value was not the runways and that Calverton. We were the ones saying that the only value was in the runways and the response was that, you know, people have said that for fifteen years but nothing has ever come to fruition and to which we sort of replied that's because no one's ever been able to fly or afford to use them for their intended application so I understand that after Grumman there was noise concerns but with regards for using the airport for what it was intended you can't get anyone better than us because what we're doing is quiet, no impact and using it for what it's intended to do, you know, we ask you please don't chop up the airport, don't cut up the runways. Let us do what it was intended to be done there and you'll see massive growths in industry around this project."

Supervisor Walter: "Can I just, because I know that you had meetings with or scheduled with Dr. Gibbs or about to be with Brookhaven National Lab and (inaudible) and so you're working that because that was one of the first things we talked about when you came in to try to lure you in with Brookhaven Lab and Stoney Brook."

Daniel Preston: "And (inaudible) asking for those contacts because it was our intention to keep as much of the local as possible."

Councilwoman Giglio: "I'd just like to add that you know, I've spoken to a lot of people both in the aviation industry, members, former members of the FAA and several other people and I've done a lot of online research and I know that in the departure of Skydive Long Island (inaudible) perceived obstacle when it comes to aviation but I also know that there are certain

safety imperatives that have to be taken into consideration and because the nearest airport, MacArthur Airport is only nine miles away and there's a five hour, five mile zone or cone around each airport that any type of I guess drone that would be attempting to get to a sixty thousand foot elevation."

Daniel Preston: "First of all we don't make drones nor would we ever. We make UAV's."

Councilwoman Giglio: "Ok, I'm sorry, I apologize."

Daniel Preston: "Drones, no problem it's just something we're trying to correct. There's a lot of issues being brought up that are non-issues. We're not denying access to the airport to anyone; we're not charging fees to anyone. The controlling right is to actually insure safety for anyone using the airport."

Robert Lutz: "So there was a gentleman up earlier who worked for Grumman's for almost thirty years and he mentioned, you know, would a pilot be able to use these runways in an emergency. Well, and the answer is in an emergency a pilot is authorized to deviate from any rule necessary and to insure the safety of his aircraft and also the people on the ground.

Calverton for the longest time has been an alternate and emergency landing spot. When I've been in a meeting with you guys to find out that the ten thousand foot runway, there was talk of chopping it and shortening it up you realize you're going to be eliminating one of the possible runways for if the weather is bad enough for large aircraft to land and save people you are eliminating that and you're never going to put that back. It's going to be like, oh we took off three thousand feet, let's put it back. So these are eventualities hopefully never happen but it's an incredible asset when it comes to that and the pavement, ok, it's not the greatest but I can tell you right now, that's where I'd be looking. You know I've flown all sorts of jets and what not and some that take up a lot of runway; some that if you had a malfunction, flap system or whatnot, that would be one of the runways I would consider and having us there as a tenant, having us have this agreement is going to assure that that ten thousand feet of runway stays there and it's an extra safety factor and as far as the five mile radius and whatnot this is all pilots speak. I'd be very happy at some point to explain how it works. It's a class Delta airspace, it goes up to twenty-six hundred feet, now that's it. If you're talking about something that's high altitude, nonfactor we're talking about aircraft that are very slow so we're also talking (inaudible) that are incredibly tight. I mean it would take forever to get over there so total nonfactor. Anyways."

Councilman Dunleavy: "Thank you."

Supervisor Walter: "Maybe I would recommend meeting directly.

(Inaudible)

Councilman Dunleavy: "I just want to, I'm glad that aviation is coming back to Grumman. I did work for Grumman about fifty years ago and it was a great asset to Suffolk County, Nassau County, and to this region. I also, like the grandmother of this young fellow worked on the lunar module in Bethpage, I helped build it so I mean to bring technology, that sort of technology to Riverhead is great and like our attorney said we can give this land away for free. The government

gave it to us and if anybody reads what the government said when they gave us this land it was to bring industry back into Grumman because we lost the taxes and everything when Grumman left so they wanted to build industry back in here and give us the growth. So, what we're getting is thirty-one thousand dollars a year plus the runway maintained, I think that's more than the federal government wanted us to have if you bring industry back in here and I know everybody acknowledges here that you will, other schools will contact you and you're not obligated but I know just listening to you and reading your resumes that you are the kind of people that want to teach our youth this technology so they can work. A lot of youth doesn't have technology so to go there and show them what you're doing, give them a little education they may think about going to college for this technology whether it be electrical engineer, aviation or pilots. They may say we had, we would work out here. We could stay on Long Island if we go to school and I think that's what this Town of Riverhead is looking for, is this technology coming out here. Go into the schools; let the kids know what's here and what they have to do so they can join a high, professional job category. So, that's all I've got to say and I have no questions because I'm glad that you're coming and you're going to give us this technology and this knowledge in the Town of Riverhead, thank you."

Councilman Wooten: "I was going to say too the purpose of today's qualified and eligible of course is the urban renewal ironing out any details about what the Town feels they need or want. Just the fact that you're coming here, you're finding this area desirable I think when the federal government gave that to us the reason was to stimulate, not just Riverhead but the entire Suffolk County to replace the jobs that we lost and increase the taxes. That really is the goal for the urban renewal plan at EPCAL as well as the master plan for Riverhead itself. So I appreciate what you're doing. My father too was here. He worked in Grumman he got out of the Air Force in '66, he worked there to '70 and he built the lunar too. I certainly think you're more than qualified and eligible for the purposes of this hearing. I congratulate you and appreciate you being here."

Supervisor Walter: "Does anybody else on the Board want to comment? Alright so what I'm going to do is close the public comment portion and leave it open for written comment till October 30th, 4:30 p.m. in the Town Clerk's office and the hearing is official closed at 8:46."

Thank you very much for your time and patience. A great presentation and we'll move on to the next public hearing. It's been two hours why don't we take a five minute break."

Member Wooten: "I make a motion we close the CDA meeting and reopen the Town Board meeting, so moved."

Chairman Walter: "I second it. All in favor vote please. Aye, opposed, abstentions, motion carry."

Meeting Adjourned at 8:46 p.m.