

VAIL'S GROVE COOPERATIVE, INC.

BOARD OF DIRECTOR'S MEETING

May 15, 2012

CALL TO ORDER:

Ms. Waltzer called the meeting to order at 8:00 pm and asked all to rise for the Pledge of Allegiance.

ATTENDANCE:

Ms. Battreall took attendance: Present: Ms. Desidero, Mr. Duffy, Ms. Enos, Mr. McGuinness, Ms. McHale, Ms. Mytych, Mr. Norcross, Mr. Ryan, Ms. Waltzer and Mr. Witte. Absent: Mr. Cassidy, Ms. Myers and Ms. Rubini.

ACCEPTANCE OF MINUTES:

Ms. Desidero made a motion to accept the minutes of the April 2012 meeting. Ms. Enos seconded. Ms. Desidero suggested that there was a change to the Ombudsman report. Ms. Battreall will make the change. Ms. Desidero also stated that on the last page, there was an issue that was not an Ombudsman issue and Ms. Battreall will remove that as well. Ms. Desidero also stated that what she was saying about Ms. Waltzer asking Ms. Enos if she was going to stay at the last meeting for a discussion, was not in any way implying anything about Ms. Enos. She simply wanted it in the record that this is what had happened. She stated that she has always known Ms. Enos to be her own person and she trusts that she would always vote with her conscience and that she was not suggesting in any way that Ms. Enos was being led. Ms. Desidero said she only stated that she wanted in the minutes that Ms. Enos was asked to stay for the discussion. Vote taken. Mr. Ryan abstained. All others in favor. Minutes accepted.

COMMENTS & CONCERNS OF STOCKHOLDERS:

None

COMMUNICATIONS NOT INCLUDED IN REPORTS BELOW:

1. Ms. Waltzer read a letter from Sandra Munroe in response to our letter to her about possible boarders living in her home. Ms. Munroe stated that she does not have boarders living with her, although she does have her fiancée and her cousin living there. Her cousin will be living with her for just a while. She does not think she did anything against the rules. She is not charging any rent to anyone.

Ms. Battreall will forward this letter to Ms. Rubini. Ms. Mytych asked for Ms. Rubini to follow-up with Ms. Munroe to have her cousin vetted.

2. Ms. Waltzer then read a letter from Aida Costello, wife of Donald Costello Jr., owner of 105 Vail's Lake Shore Drive. Mrs. Costello was addressing the bill she received from the Grove for \$100 and then \$25 a day for a leak that was not fixed. Mrs. Costello stated that she did the best she could to have the leak fixed. The Grove will respond that the Costello's did receive a letter informing them that the leak needs to be fixed and they were not fined until 30 days after the letter. The Rules and Regulations state that this is the process. The Board discussed the issue; the fine will stand as the Rules state.

COMMITTEE REPORTS

CHAIRPERSON:

No Report

VICE-CHAIRPERSON:

Mr. Duffy reported that in the Executive Session, it was discussed to send five stockholders to legal for collection as they are 2 quarters in arrears. Ms. Mytych made a motion to send them to Legal. Mr. Witte seconded. All in favor. Motion approved. Mr. Duffy also reported that an Employee/Committee Chair issue was discussed.

VICE-PRESIDENT:

No report

SUNSHINE:

Ms. Enos reported the following:

Our condolences go out to Janet O'Loughlin on the passing of her mother, Marjorie Leonard, Moira Tolan on the passing of her father, John McConnell, Victoria Desidero on the passing of her aunt, Alice Corbey and Meghan Cassidy on the passing of her uncle. We also received a Thank You note from Jim Sheridan for the fruit basket sent to Florida after his hip replacement surgery. Congratulations to Jack and Ann Marie Keiley on the birth of their new grandson, Jack Thomas.

TREASURER:

Ms. Mytych reported that the Finance Committee met and Dennis Ryan and Maureen McHale are now on the committee. The committee discussed the Grove's assets and discussed options for financing of the new water tanks. Victoria Desidero, Chair of Long Range Planning, also attended the meeting. The committee discussed a possible assessment or loans for the water tanks. Ms. Mytych stated that the committee does not want to propose any options until they know how much the Water Tanks will actually cost. The committee is also looking into how to get the best returns on our capital funds and reserves.

ETHICS:

No report

SECRETARY:

In Mr. Cassidy's absence, Ms. Battreall gave the Secretary's report. Ms. Battreall stated that if anyone on the Board had an update or conclusion on the follow-up list, they should report it when they are reporting for their committee. Ms. Battreall also reminded the Board and Committee Chairs that any charges on the company credit card must go through the office. Ms. Battreall will put through all charges. You may also use your personal credit card and submit receipts for reimbursement. We need to set a date for the Annual Meeting. It should be held on either September 9 or September 16. The following Board member terms expire this year: Thomas Duffy, Joan Myers, Ronnie Waltzer and Fred Witte. For the minutes, Ms. Battreall would like it reflected that she did indeed find the e-mail that she had sent out with the follow-up list to all Board Members and Mr. Davies last month. In fact, Mr. Davies did respond to the e-mail. The only follow-up list that Mr. Davies did not receive was the one that went to the Board in their packet in April. There was one additional Buildings & Grounds item on the list and Ms. Battreall had acknowledged that at the last meeting. Mr. Davies had indicated at the April meeting that he had not received any follow-up list.

The office will be closed on Monday, May 28th for the Memorial Day Holiday.

The deadline for the next Vail's Voice will be May 25th. All submissions should be sent to Meghan Cassidy.

The office made changes to our telephone accounts with Verizon, thereby saving the Grove \$850 a year. Ms. Battreall will find out if it is mandatory for us to have a phone in the Pavilion kitchen and will report back on that at the next meeting.

BUILDINGS & GROUNDS:

Mr. Davies reported that the lawn bids were put out again and ad was placed in the Pennysaver. Many contractors called. Eleven bid specifications went out and six came back into the office. Mr. Moore, Ms. Desidero, Mr. Davies and Mr. Witte opened the bids in the Pavilion at 12 noon on May 4th. Mr. Davies stated that there was a big discrepancy in price. Mr. Davies recommends hiring J&R Contracting at the lowest bid of \$270 per cut. J&R does have all required insurance. Mr. Ryan made a motion to hire J&R Contracting for lawn mowing for this season. Ms. Enos seconded. All in favor. Motion approved. Mr. Davies stated that he would get a price from J&R for the chipping of material down at the North End. Ms. Battreall stated that placing the ad in the Pennysaver was a great way of getting more bids. Mr. Ryan recommends putting bids out earlier than April. Mr. Norcross recommends possibly using the same contractor for both lawn mowing and snow removal.

Mr. Davies then discussed the speed bumps/speed humps that were discussed at last month's Board meeting. Mr. Davies stated that he received an invoice in August 2011 for all of the speed bumps/humps. He called Landscape Unlimited at the time and Mark Vieira said that we should

not pay the bill. Mr. Davies stated that he determined what it should have cost the Grove was \$3834 and that he gave a copy of that to our Treasurer and to the Chair in January. Mr. Davies stated that he never said to pay the \$7000. Mr. Davies said he had nothing to do with paying \$7000 and he will not take credit for that. Mr. Davies then read the following:

“This is the end of his journey which started with high hopes for a chance for me to contribute to this community and make better living conditions for the stockholders of Vail’s Grove. I know I accomplished both. I started with the title of Chair of Buildings & Grounds, was demoted to Chair of certain Buildings & Grounds and now I have been downgraded to overseeing only what the Chairperson of the Board wants. The North End wasteland (which it has become), is not one of them. The Stearns & Wheeler punch list, which is now a joke with no punch line, is another. We have encountered many bumps in the road, from false accusations of (electricity) fraud, (grass cutting) payoffs, and finally credit card mis-use. What started out as full support in one era, turned to a complete lack of support from the current Chair although she did promise to support me in this role. I want to say to the Board members who think they have won – you haven’t. To all the members who supported me – Thank you. Following the rules and regulations handbook, I now resign as Chair of B&G and will continue to serve for the next 20 days or until a replacement is found, although I’m sure that will be by morning’s light. I am leaving this copy for the office so that my resignation is reported correctly”.

Ms. Waltzer stated that she is sorry that Mr. Davies is upset because she always felt that she had supported Mr. Davies and the business at the North End and GHD is really out of our hands. That became clearer in the meeting a few days ago that the Coalition held. Nobody has any control over what GHD is doing and everybody is upset about it. Ms. Waltzer stated that she is sorry Mr. Davies is giving us his resignation and she does hope he will continue for the 20 days as he stated, as she has nobody to replace him.

Ms. Battreall then stated that she never said there was electrical misuse and/or credit card misuse on her part. Ms. Desidero said he did not say it was Ms. Battreall he was referring to and that Mr. Davies feels he is constantly being questioned. Ms. Waltzer stated that anyone who is in that position always had many questions from the Board.

Ms. Mytych stated that B&G is always a very tough position. People will always question B&G. Ms. Enos stated that Mr. Davies did a lot of good work. Ms. Waltzer thanked Mr. Davies for his many contributions.

REAL ESTATE:

Mr. Duffy made a motion to approve the application from Henry Myers at 73 Vail’s Lake Shore Drive for a second story addition and complete house renovation to his house. Ms. McHale seconded. Mr. Richard Vail, architect, made a presentation for the proposed house. Ms. Desidero asked about what variances would be required. Mr. Vail stated that there would be one for the side yard clearances. Vote taken. All in favor. Motion approved.

INSURANCE:

Ms. McHale reported that we have been successful in using SKCG for renters of the Pavilion to get Special Event Insurance for approximately \$95.00 (to get the required \$1 million coverage).

TREE:

Mr. Norcross met with an arborist from Sav-a-Tree today and is waiting to receive a report on his findings. They looked at trees on common property between the Pavilion and Ramp 2.

MEMBERSHIP:

No Report

BOAT RAMP:

Mr. Ryan reported that we are waiting for Arben to finish site work at the entrance to the boat storage yard; Landscape Unlimited will be putting back both fences into the boat storage yard. Once we determine what is being put back and the shape that the fence is in, we should consider replacing or upgrading the fences so that the residents can't just lift the fence off the posts and enter the storage area. Mr. Ryan stated that Arben put down Item 4 to the entrance road by the WWTP and that made a difference in the road condition.

Ms. Desidero said that Arben is trying to get the Certificate of Occupancy for the plant and the Town of Southeast is insisting that they take care of all issues before they issue a CO. Ms. Desidero suggested that the town be given anything the Grove needs done that is located around the plant.

Mr. Ryan said that when all boats are out, the storage area will be assessed.

Mr. Norcross then stated that when he was walking around with the arborist, he saw that a stone wall was built by 1 VLSD that is encroaching 5 feet onto Vail's property. The Stockholder built that wall and it is interfering with the access to the Boat Ramp. Mr. Ryan stated that it makes it harder for boats to get into the Boat Ramp. Mr. Ryan made a motion to have Mr. Hillner conform to the property survey. Mr. McGuinness seconded. Mr. Norcross said that someone should speak to Mr. Hillner. Someone stated that Ms. Battreall should make the call to Mr. Hillner. Vote taken. Motion approved.

WWTP:

Mr. Duffy reported that Grinder Pump contracts will be awarded on May 24 and installation will start the middle of June. Phase 1 testing should be completed by Friday and Phase 2 testing hopefully completed by June 15th. Mr. Duffy stated that Steve Vieira/Landscape Unlimited will be awarded Bloomerside, Hotel property, Pietsches and the North Salem portion of Vail's Grove, which are 53 homes. The Southeast portion of Vail's Grove, 120 homes, will be awarded to Dan Covino/Joken Development. Both of these contractors have approximately six months to complete the installation of the pumps, which puts that roughly at the beginning of December.

Although we have not had any indication of how Joken Development plans to proceed, Landscape Unlimited has indicated that he wants to have three crews working simultaneously, therefore, we should anticipate the Grinder Pump work starting around the end of June with the brunt of the work being conducted in July and August. Regarding the Boat Storage area, Arben brought in a contractor who put down 48 yards of Item 4 to make the road more accessible. This was done several weeks ago.

PAVILION MAINTENANCE:

No Report

PAVILION RENTAL:

Mr. Ryan made a motion to approve the pavilion rental application from Kathleen Heuschkel for July 28th. Ms. McHale seconded. All in favor. Motion approved.

LONG RANGE PLANNING:

Ms. Desdiero reported the following:

Thanks to the Finance Committee for including the Chair of LRP at their meeting to discuss ways to fund the capital-intensive Pump House Water Tank Replacement Project. As the Board of Directors discusses the Finance Committee's recommendations for how to fund this project, I thought it might be a good time to refresh everyone's memory as to what else is on the list of possible future projects.

Long Range Planning Role:

The role of the Long Range Planning Committee is to establish a mechanism to help ensure fiscal responsibility for the corporation for projects/capital improvements. The Committee will do this by determining the list of capital improvements needed/desired by the Corporation, determine the money we have and the money we need to accomplish the improvements and create and oversee an annual rolling list of capital improvements.

Projects Completed:

Water Main Replacement from Ramp 2 to Pavilion (2009)

Surveys of all Shareholder Properties (2010)

Tennis Courts – Repair (2011)

Projects in Progress:

Pump House Water Tank Replacement (2009 to present)

Future Projects to Consider:

Truck Replacement (TBD)

Pavilion Dock Renovation (TBD)

New Lifeguard Shack at Beach (TBD)

Suggestions from Shareholder Survey 2011 to be considered as funds become available.

LRP has not had any reason to meet recently as the Water Tank Replacement Project is being handled by a new Committee and the list of LRP projects is in place. We are always interested in suggestions for other "need to haves" and "nice to haves" that

Board members, Committee Chairs or Shareholders would like to see added to this list.

OMBUDSMAN:

Ms. Desidero reported the following:

A portion of the issue between neighbors on Maple Lane has been discussed by the Ombudsman with both parties and the shareholder making the complaint is satisfied with the aspects of her concerns that were addressed by the Ombudsman. Specifically, she agreed that the person in question is not a threat to her or her neighbors and she said she has seen some change in the person's behavior patterns recently, i.e., not sitting in his truck parked right in front of her house. She is still hoping for some resolution of her concern about parking on the street and would like to know the outcome of the Cooperative's inquiry as to whether the people living with her are family members. I believe those two things are being handled by some combination of other Board members, the Cooperative Attorney and the Office Manager.

Ms. Desidero also reported that she has followed-up with the people on Maple Lane and told them that she could assist if they have any problems with the Town of Southeast. Ms. Waltzer asked about the Environmental Center sign at the end of Maple Lane. Ms. Desidero stated that it has not been taken down, and that is not on the site plan and therefore the sign was not "permitted." GHD then went to the town for a permit and they were denied due to the size of the sign. The town wants GHD to put in for a variance to the ARB due to the size and GHD has not put in for a variance. They will not get a CO unless they get a permit and the district will have to pay for the sign to come down.

LEGAL:

Ms. Rubini was not at the meeting but had reported that she did send a letter to the Stockholder regarding possible boarders, as was requested at the last meeting.

RECREATION:

No Report

AESTHETICS:

Ms. Waltzer stated that planting has not been done yet and a planting day has not been planned yet. When she returns, a planting day will be picked.

PUMPHOUSE/PUBLIC HEALTH:

Jack Waltzer and Cindy Battreall are working on the AWQR – Annual Water Quality Report, which must be filed by May 31 and it will be posted on the website.

PUBLIC LIASION:

No report

BEACH:

Seven lifeguards have been hired. The beach will be staffed with lifeguards every weekend starting Memorial Day from 10-7 and daily starting June 18. We had to turn away 5 new lifeguards who applied for the position. A Port-a-Potty with a hand sanitizer has been ordered for a monthly fee of \$112 which is only \$10 more than what we had previously. A calendar of Beach events will be put out the week of May 21st. We will send a Thank You note to Daisy Troop 2526 for their cleanup of the beach and plantings they have done.

PUBLIC SAFETY:

The security guard will start his patrolling as the weather is now warmer on the weekends.

LEND A HAND:

No Report

WELCOME:

No report

NEW BUSINESS:

Ms. Mytych would like the Board to review what she placed in the Board packet about background checks. She feels that the Board needs to require running background checks on anyone new moving into a property with an already vetted Stockholder. If a Stockholder has someone new moving in with them, for at least 6 months, Ms. Mytych thinks we should do checks on these people. We need to treat everyone fairly and we need a rule to treat everyone and guests fairly and evenly. Right now, there is not a rule for that. Ms. Mytych feels that as a Cooperative, we have the right to set our rules as we see fit. If the Board votes on a rule, it would be going forward. The issue of how do we know when someone is in someone's house, in order to vet them, would need to be investigated. If it comes to the offices' attention, we would then require the vetting.

The Board has been asked to look at this draft and we will discuss with Legal and re-visit at the next meeting.

Ms. Andrews thanked Ms. Desidero for dealing with the issue on Maple Lane. She stated that the situation has improved.

Meeting adjourned at 9:45 pm.