

VAIL'S GROVE COOPERATIVE, INC.

BOARD OF DIRECTOR'S MEETING

February 17, 2009

CALL TO ORDER:

Chairperson Victoria Desidero called the meeting to order at 8:07 pm and asked all to rise for the Pledge of Allegiance.

ATTENDANCE:

Assistant Secretary Cindy Battreall took attendance. Present: Victoria Desidero, Ronnie Waltzer, Tom Duffy, Frank Cassidy, Sue Enos, Rob Norcross, and Fred Witte. Absent: Sharon Scott, Joan Myers, Ellen Mytych and Mary Rubini.

ACCEPTANCE OF MINUTES:

Ronnie Waltzer made a motion to accept the Minutes from the January 2010 meeting. Sue Enos seconded. Ms. Waltzer had some minor changes for the Minutes. Fred Witte abstained. All others in favor. Motion passed, pursuant to the changes being made.

COMMENTS & CONCERNS OF THE STOCKHOLDERS:

Mr. Gregory discussed the different types of Cooperatives. He brought to the attention of the Board, a publication called "The Cooperator," and suggested that it would be very helpful to the Board. He stated that not all of the articles would pertain to Vail's Grove, but usually there are a few that do. He said that when he receives his copy in the mail, he will give it to Chairperson Desidero and cite articles he thinks would be of interest to her and the Board.

COMMITTEE REPORTS:

CHAIRPERSON:

Ms. Desidero asked all present to remember Walter Cereoli, resident of the Grove and father of Sharon Scott. Mr. Cereoli passed away last week. Ms. Desidero also asked all to remember Joe O'Lear, long-time resident of the Grove, who also passed away last week.

VICE-CHAIRPERSON:

No Report.

VICE PRESIDENT & WWTP:

Mr. Duffy reported on the WWTP updates. Mr. Duffy reported that Southeast Plumbing would be contacting our shareholders to make appointments to get into the homes to install water meters. Mr. Duffy also stated that we have received notification concerning the large trucks that have been using our roads. The Grove would like to be indemnified in the event that our roads are damaged or destroyed. Prior to giving them approval, we will ask Mary Rubini to review any documents they submit to us. We have received an update from Bloomerside, informing us that they have started the sewer main construction. Contractors are coming and going, roads are ripped up, and it is a major project. Once they start construction here, our roads will be paved every two weeks. In addition, we have been informed that we will not be receiving any more stimulus money for the WWTP. All States have used that money. New York State will not get any more money.

Mr. Duffy is hoping the monthly cost to the homeowners will be lower than previously thought, but does not know how much that will be. The hope is for no more than \$100 per month. Ms. Desidero has contacted Stearns & Wheler and asked about how the costs relate to the water meters. It is possible the District wants the Grove to bill the homeowners and then the Grove would need to collect. Mr. Duffy stated that it is the Sewer District's job to collect their money. Ms. Desidero said they would like to collect from the Grove as a whole. Ms. Desidero said that Sarah Cwikla heard from Roland Baroni that there would be one bill. Mr. Duffy will ask Sarah Cwikla about this. Mr. Duffy believes that the bill cannot be any more than \$100 per month. Ms. Desidero stated that we do not want to be in the collection business and these bills should be sent to each home. Mr. Duffy did state that this monthly bill would go up over the years.

Mr. Duffy stated that Ms. Battreall brought to his attention, that we need a tax reduction for the 2.5 acres that we sold to the Sewer District. When Mr. Duffy looked into this, he realized that 66.4 are in Southeast and 16.4 acres are in North Salem. We did get an adjustment for over 20 acres from the Putnam County Finance Office. Now, we need to go to the local Southeast Tax Assessor to see what adjustment we can get. Mr. Duffy will follow-up with our Treasurer, Ellen Mytych and our accountant, Peter Rossi.

SURVEYS:

Mr. Duffy then reported on the Survey project. The surveyors have gotten down to Ramp 3. Ms. Waltzer and Mr. Duffy will meet at the surveyor's office and look at the diagrams on the computer to be sure that everyone has what is on their lease. Mr. Duffy said this project is looking very good. He is studying historical files and it is a very detailed process. Ms. Enos was concerned about the parcels that are not on the Lake. Mr. Duffy stated that he does not think this will be an issue, that there is plenty of extra room. Ms. Desidero reminded Mr. Duffy that when he has something concrete, we make a determination regarding the location of the shed in question at 109/111 Vail's Lake Shore Drive.

Regarding the water meters, Mr. Witte asked if each home is going to be paying a basic fee in addition to usage fee. Mr. Duffy said that is correct, each home will pay a base price, and then you are charged for the usage. Mr. Waltzer stated that the fixed cost for

billing would be covered and apportioned out by the number of bedrooms. That will be a fixed portion of the bill. The rest of the bill will be based on the usage on your meter. He said some people might end up paying a lot more than their neighbor. Mr. Waltzer stated that it is possible that the fee will go over \$1200 a year. Ms. Desidero said that if your usage exceeds a certain amount, she also believes the bill can go over \$100 a month.

SECRETARY:

Ms. Battreall read the following report from Ms. Scott:

Follow-up Items

1. List of documents that can/cannot be signed by the Chair of Board – Mary Rubini
2. Final resolution to Dress water problems – Jack Waltzer
3. 19 Orchard Rental Improper Use Fee Status – Office / Sue Enos / Frank Cassidy
4. Determine ownership of tree between Mullins and Desidero. Since the January meeting an arborist has determined the tree does not need to come down but needs to be pruned – Ronnie Waltzer
5. Continue to lobby for Maple Lane that the construction road will be permanent at end of WWTP project – Victoria Desidero
6. Determine if Costello shed is on his property or on the Dress property. Letter sent to Mr. Dress saying this will be addressed when his survey is complete – Joan Myers
7. Notification to those stockholders whose land surveys are completed for review of the results – Tom Duffy
8. Our insurance representative at SKCG Group is working on answering the questions by the Tree Committee and has requested a copy of the Proprietary Lease and a copy of our Rules and Regulations so accurate information is used in decision making process – Claire Navin
9. Rules & Regulations sent to all stockholders – Victoria Desidero / Office
10. Arben vetting process for employees on Vail's Grove property – Victoria Desidero / Office
11. Copy of standard response from Arben to anyone making inquiries regarding WWTP – Office
12. Contact Stearns & Wheler to work with Landscape Unlimited to find staging area for their project – Tom Duffy
13. Engineering meeting for quotes for water tanks and water main from Ramp 2 to Pavilion – Sharon Scott
14. New location of biodegradable dump area – Tom Duffy / Jack Waltzer
15. Implement Amnesty Program including mailing to all stockholders asking those who have done work not previously approved to come forward, submit an application, a plan, pay the fee and the Board will review. The Amnesty is for the improper use fee and daily fines – Joan Myers
16. Status of letter to Sandra Monroe – Office / Mary Rubini

Ms. Battreall also reported that the “important documents” scanning project is now complete. The Rules and Regulations and the By-Laws will be printed in booklet form and sent to shareholders. Ms. Battreall suggested that we purchase a defibrillator for the Pavilion. Mr. Witte stated that we have one and we will look for it.

TREASURER:

No report

OMBUDSMAN:

No report

COMMUNITY LIASION:

Mr. Gregory stated that Sam Mullins would be our representative for the Town of Southeast as Community Liaison. We still need a representative from North Salem as Mr. and Mrs. Keiley go to Florida in the winter. Ms. Desidero stated that Mr. Mullins also goes to Florida during the winter months. The Board will continue to look for additional volunteers for these positions.

BUILDINGS & GROUNDS/ PUMPHOUSE:

Mr. Waltzer reported that everything is running smoothly at the Pump house. There was a problem with the chlorine levels, which is now fixed.

Mr. Waltzer reported that a letter was received from 82 Vail's Lake Shore Drive regarding a problem with water coming into the house. Mr. Waltzer stated that they will need to dig a trench, due to the water being high in her crawl space and her floor joists are wet and starting to rot. There is mold. Buildings & Grounds will test the water to see if there is any chlorine. In addition, Mr. Waltzer will have a berm placed in between Ramp 3 and 82 Vail's Lake Shore Drive and divert it into a ditch and will dig a trench near 73 Vail's Lake Shore. If any water is soaking into the land, it will go down the drain. Ms. Desidero asked for this entire process to be documented. Mr. Duffy said that in the past, a tremendous amount of money has been spent to divert water coming down next to Ramp 3. He suggests that the homeowner hires a backhoe to see where the water is coming from. Mr. Waltzer stated that he did tell the homeowner that. Mr. Waltzer said the berm and the trench are low cost items and might help. Mr. Waltzer asked that if we have already done work in that area, have we set a precedent for trying to find out what the problem is. Ms. Enos, who lives next door, stated that she has a water problem also and that her pump is always working. It is a wet area. Mr. Duffy said we also fixed a pipe on White Oak Lane to try to alleviate this problem in the past. The problem will mostly be on the property at 82 VLSD and not the Grove. Mr. Waltzer informed the homeowner that the floor joists need to be shored up for safety. He gave her the names of people who can do the excavation work. Mr. Waltzer is convinced that the problem is a spring. The homeowner will put another sump pump in.

Mr. Waltzer then reported that the area to dump our compost has been taken care of. They determined that there are a few areas that can be used. Arben stated that they would push things back as we need them to. Mr. Waltzer said there should not be an issue, as we do not have that much stuff going back there. Mr. Waltzer said that Sarah Cwikla said there is an easement granted for a retention pond. Mr. Duffy said that area is for the outlet pipe and it is not an easement. Mr. Waltzer said one half of the retention pond is on the District's land and part is on Grove land, which is an easement. Mr. Duffy said we

sold them 300 feet. Mr. Duffy and Mr. Waltzer will look at the map and visit the area to figure this out. Mr. Duffy stated that the Board never discussed any easements other than the outlet pipe.

Mr. Waltzer then brought up another issue. He stated that, although the Long Range Planning Committee is looking into this issue, he would like to be able to go ahead and get the approval to go with the low bidders to run the 4-inch water main pipe from Ramp 2 down to the Pavilion. He wants this done before the sewer district tears up the road and that we should not have to tear them up again. He is concerned that we get this done before the pipes for the sewer go in. Ms. Desidero understands that he feels that Long Range Planning is taking too long, but that Mr. Waltzer and Mr. Lee were asked to meet with the Engineering firms to get specifications. Mr. Waltzer said that he and Mr. Lee have not gotten together. Ms. Desidero asked him if he is asking the Board to make a decision on something that the Long Range Planning Committee has already been working on at a time when the Chair of the Committee is not here, nor are other members of that Committee, and that the LRP Committee did not think it was a good idea to go ahead with the project the way Mr. Waltzer is suggesting. Ms. Desidero is also concerned about getting this done as soon as we can, but said it is really not fair to discuss this without these people being here. Mr. Waltzer said we do not have specifications, which will cost money to have an engineer to do that, and that he has the confidence in the people who will be doing the work and that if the Board decided to override the Committee, which is in their rights, that is the way we need to go. Ms. Desidero said she would be happy to help out and keep working on this while Ms. Scott is away. Ms. Desidero said that there is no motion on the table. Mr. Duffy asked what the time frame is on this. He believes the time frame for the sewer pipes would be six to eight weeks. Ms. Desidero said that, as the Chair, she has a problem going ahead with this project without Ms. Scott and the other LRP members being present and that she feels that Mr. Waltzer and Mr. Duffy are undermining the work of the other people on the Committee. Ms. Desidero said it is not the Committee's fault that Mr. Waltzer did not do what he agreed to do. Mr. Duffy said that Mr. Waltzer does not want to go through an engineer with this project and Ms. Desidero stated that Mr. Waltzer had already agreed to this in a LRP meeting. Mr. Waltzer said he is changing his mind based on time pressure. Ms. Desidero said she is concerned that he did not bring this to the Chairperson's attention prior to this meeting and without the Long Range Chair and committee members and John Lee being here. Ms. Desidero said that there is no motion, Mr. Waltzer cannot make a motion and that she has a serious problem with this and that they are undercutting a lot of people. Ms. Desidero said this approach could possibly be throwing bad money after bad. Mr. Duffy said that he has been asking since June to get this project going to try to save money from the land sale. Mr. Waltzer said if we did not set up the LRP Committee this would not have happened. Ms. Desidero said the amount of money saved would not have been much. Mr. Duffy said that Mr. Waltzer is B&G Chair and should make the decision. Ms. Desidero said that the bid that Mr. Waltzer put out received two or three prices, one of which was unusable. The reason was that this RFP was not well done. Ms. Desidero said that Mr. Lee was correct on that. These people did not give long-term guarantees. Mr. Waltzer had stated that the bids would be re-done. Ms. Desidero said it was a bad RFP. Mr. Waltzer said that he did agree that there were some things that could have been stated better. Ms. Desidero said it is not smart to put a motion out on this. Mr. Duffy said that we need to move on this and that the Board is not handling this appropriately. Ms. Desidero stated that this Board is

handling this appropriately and, that Mr. Lee and Mr. Waltzer are responsible for making this happen. Mr. Duffy said something has to be done. Mr. Duffy said that this pipe work for the sewers is being started in six weeks and when the road is paved, it is a done deal. Mr. Waltzer and Ms. Desidero said that is not the final pave. Ms. Desidero then asked if anyone at the meeting is making a motion on this because if not, this needs to be a separate discussion. Mr. Waltzer re-stated that he would like to go ahead with the lowest bidder with the proper valves and hook ups. Ms. Desidero asked Mr. Waltzer what exactly he is asking for. If it is nothing like what they have discussed in the LRP Committee meeting, she really wants him to think about that. Mr. Waltzer stated that what he wants to do is go ahead with the project. Ms. Desidero asked if he wants to go with the lowest bidder. Mr. Waltzer said that the lowest bidder is the person who does this type of work here at the Grove and Ms. Desidero said that the lowest bidder has given us no guarantee. Ms. Desidero told Mr. Duffy that if he wants to make a motion, he should make it. Mr. Duffy said that he is all for the motion but that he would like someone else on the Board to step up and make the motion, because he does not want to always be the heavy. Mr. Duffy said he is concerned that this is going on so long. Ms. Desidero said his concerns are noted. Ms. Desidero said that we would not have saved dollar for dollar on the taxes if we did it earlier. Ms. Desidero said there is no motion on the table and that to be really fair, she told Mr. Duffy that she is also concerned about this. TAPE WENT BAD.

Mr. Waltzer then said if there was water leak, he would be able to go ahead with repairs and this could be treated as 10 leaks. Ms. Desidero asked Mr. Waltzer to call him tomorrow. Ms. Desidero said this issue is closed for now.

AESTHETICS:

Ms. Waltzer reported that the vanity in the Ladies Room has been painted.

BEACH:

No Report

PUBLIC SAFETY:

No Report

LEND-A-HAND:

Ms. Battreall reported that Margaret Flannery has sold her home and moved and Kathleen Heuschkel will be taking over as Lend-a-Hand Chairperson.

WELCOME:

No report

BOAT RAMP:

No Report

INSURANCE:

No Report

PAVILION:

Ms. Battreall asked someone to make a motion to allow Mr. and Mrs. Cassidy to rent the small room for a children's party, which costs \$40. There is a three-hour limit on these parties. Ronnie Waltzer made the motion for the Cassidy's to rent the small room for February 27th. Sue Enos seconded. Frank Cassidy abstained. All in favor. Motion passed.

LONG RANGE PLANNING:

No Report

RECREATION/SOCIAL:

Mr. Witte reported that there was a Valentine's Day Party and it was well attended. Mr. Witte is thinking of having a covered dish dinner in March. Ms. Enos asked if we could have an Easter Egg Hunt. Ms. Battreall will speak to Ms. Rubini about this.

LEGAL:

No Report

REAL ESTATE:

Michael Davies is now a member of the Real Estate Committee. Mr. Davies reported that we have an application from John Costello on Orchard Road for some alterations to his roof line. The fee has been paid, letters sent to neighbors and no neighbor disputed this. There was a discrepancy in the plans, so Mr. Davies spoke to Mr. Costello and Mr. Costello asked to put this off for a month to come up with a better set of plans.

TREE COMMITTEE:

Ms. Waltzer reported that an arborist from Sav-a-Tree came out for a fee of \$150 and that they walked around and looked at trees. A written report came in without prices so that we could use it as a template for getting other prices. Ms. Waltzer said that a Sav-a-Tree bid has not been opened yet. We will send out RFPs to other vendors to bid. The tree between 109/111 Vail's Lake Shore Drive would be pruned. Sav-a-Tree said it would be less expensive if we do not have him take the wood away if he takes down any trees. Sav-a-Tree said there are over six trees in the playground alone that need to come down, with others throughout the Grove.

MEMBERSHIP:

Mr. Cassidy made a motion to approve an application for re-financing from Mr. and Mrs. O'Loughlin pursuant to receiving an appraisal and not allowing more than 80% of the appraisal value. Ms. Waltzer seconded. All in favor. Motion approved.

Mr. Cassidy made a motion to accept renewal application from Dr. Bradley of 5 Maple Lane to continue to rent his house to Kay Petroff. Septic inspection is forthcoming, but the ground is frozen. Mr. Witte seconded. All in favor. Motion approved. The septic will be inspected as soon as possible.

Mr. Cassidy made a motion to extend the application process of the rental at 19 Orchard Road, Chiacchia to Varnberg rental until February 28, so that an interview can be held and that if it is not held by March 1, the improper use fee of \$25 a day will begin. Ms. Waltzer seconded. All in favor. Motion approved.

SUNSHINE:

Ms. Enos read a Thank You note from Millie Martin for her fruit basket. Ms. Enos also reported that a donation will be made in memory of Joe O'Lear and that a donation and star will be sent to Sharon Scott for Walter Cereoli.

NEW/OTHER BUSINESS:

Ms. Waltzer stated that there is a horrific smell along Vail's Lake Shore Drive near her house and would like to know how to figure out whose house this is coming from. Ms. Desidero said it is not just the smell, but that sewage is coming out from the hill. Mr. Waltzer said he could do some dye tests at a few homes to see where it is possibly coming from. Mr. Waltzer said perhaps someone's sump pump is flooding someone's fields. It was decided that some dye tests would be done.

SHAREHOLDER COMMENTS:

None

Meeting adjourned at 9:35 pm.