

**VAIL'S GROVE COOPERATIVE, INC.**

**BOARD OF DIRECTOR'S MEETING**

**May 17, 2011**

**CALL TO ORDER:**

Ms. Desidero call the meeting to order at 8:06 pm and asked all to rise for the Pledge of Allegiance.

**ATTENDANCE:**

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

**ACCEPTANCE OF MINUTES:**

Ms. Myers made a motion to accept the minutes of the April 21, 2011 meeting. Ms. Waltzer seconded. Mr. Norcross and Ms. Rubini abstained. All others in favor. Motion approved.

**COMMENTS & CONCERNS OF STOCKHOLDERS:**

Mr. Bob Fischer of 50 Vail's Lake Shore Drive was concerned about a tree issue. He had sent a letter to the Tree committee last year and received a letter informing him that the 2010 Budget for Trees had been exhausted. He indicates that there is a tree with a lot of branches falling and the tree needs pruning. In addition, Mr. Fischer is concerned about the water run-off in his backyard, which has become very bad. This run-off is from Route 121. Mr. Fischer stated that the tree is on Cooperative property. Ms. Waltzer stated that she and Mr. Norcross think that at this time, specific problematic issues re: tress should come under Buildings & Grounds Committee. Mr. Witte asked who owns the land at the eastern side of the Fischer's property and Mr. Duffy said it belongs to New York State. This issue will be referred to Buildings & Grounds.

**COMMUNICATIONS NOT INCLUDED IN REPORTS BELOW:**

None

## **COMMITTEE REPORTS**

### **CHAIRPERSON:**

Ms. Desidero reported that the Committee List has been given to all Committee Chairs and requests that if there are any changes, those changes be submitted to the Office by May 18 so that the Office could update the website. Ms. Desidero also stated that a new Chair for the Real Estate Committee is needed.

### **VICE-CHAIRPERSON:**

No Report

### **VICE-PRESIDENT:**

Mr. Duffy stated that this Board of Directors needs to start policing themselves at this time. Most recently, he stated, Mike Davies came into the Vail's Grove office and asked for our account number for the Cooperative electrical bill for the pavilion so he could submit them to Ambit Electrical, which is a company that Mr. Davies represents. Mr. Davies then brought this issue to the attention of Mr. Witte, Chair of the Pavilion, and told him it would be a good idea to switch our electrical provider in order to save money. Mr. Witte, who was never informed that Mr. Davies would be making a profit, thought it was a good idea and made the switch. After this was brought to Mr. Duffy's attention, he in turn informed Ms. Enos (Secretary of Board) and Ms. Mytych, (Treasurer of Board), because he felt since Mr. Davies stood to gain a profit it was clearly a conflict of interest. Next a letter was written by Ms. Desidero (Chairman of the Board) stating that she was concerned about the behavior and conduct of the Office Manager, Ms. Battreall and one of the Board members, Mr. Duffy. Ms. Desidero felt their behavior was "out of line" and that "their deception and accusatory actions were unacceptable to her". Mr. Duffy defended Ms. Battreall's actions as in the best interest of the Cooperative and agreed that there was a conflict of interest here. Mr. Duffy then commended Ms. Battreall who was acting on behalf of the Cooperative and apologized to Ms. Battreall for the entire Board. Ms. Battreall answered the original letter and Mr. Duffy stated that her response, as well, should be in Ms. Battreall's file. Mr. Duffy stated that as a Board member, (Vice President), he is always allowed to ask questions when he feels there is a conflict of interest concerning Chairperson Desidero or any other Board member and that Ms. Battreall's integrity is above reproach. Ms. Desidero stated that in Executive Session, this issue was discussed and that a committee should be formed to look into this Ambit switch. Mr. Duffy made a motion to rescind the change from NYSEG to Ambit, Mr. Witte seconded. Ms. Myers abstained. All other in favor. Motion approved.

Ms. Walter made a motion to have Mr. Davies come to the next Board meeting to make a presentation about Ambit. Ms. Rubini seconded. Mr. Duffy inquired about what profit is being made on these providers changes? All in favor. Motion approved. The motion was then withdrawn and Ms. Waltzer made a motion to form a committee to discuss this issue. Ms. Rubini seconded. Mr. Duffy abstained. All others in favor. Motion approved.

#### **TREASURER:**

In Ms. Mytych's absence, Ms. Waltzer made a motion to send two Stockholder accounts to legal for collection. Mr. Witte seconded. Ms. Rubini abstained. All others in favor. Motion approved.

Ms. Desidero then took a break from the Agenda and introduced Michael Rights, Supervisor of the Town of Southeast. Mr. Rights asked to come to the meeting to present on the issue of Vail's Grove being compensated for the land taken by Stearns & Wheler GHD for the storm water area, or to retrieve the property. Ms. Waltzer asked if GHD buys the land, and we make money, would it also come off the Tax Rolls? She also asked what price the land purchase would be based on/what formula? Mr. Rights said that an appraisal would be needed to determine that.

Ms. Desidero then asked Mr. Rights to address the issue of the illegal taking of the property. (Taking of property, no place to put the leaves, etc., close proximity to our drinking water.) Mr. Rights stated that he thinks GHD is responsible. Ms. Waltzer stated that we have been told that our wells would not be affected.

Ms. Desidero said that Mr. Rights and Mr. Lucas and the Town Attorneys are trying to make people understand that GHD made this mistake and that GHD should be covered by their Errors and Omissions insurance. We have not been able to use that parcel of land for the past year. Ms. Desidero stated that it would cost a lot of money for GHD to move the basin, and that Vail's Grove is in a very strong negotiating position. Ms. Waltzer asked who would be responsible for the cost of the Appraisal of the land. Mr. Rights stated that the Sewer District would pay for the appraisal. Mr. Rights also said that North Salem will follow the lead of whatever Southeast and the Grove decides. Mr. Duffy then outlined two scenarios: Mr. Thomas Fenton, (from Jacobsen Engineer Firm) said that the detention area could be built elsewhere on the property. It could be moved to the North End and that would cost \$60,000. Mr. Rights said that GHD should pay for that. If we ask them to pay \$60,000 and they move it that would be good. Scenario Two – Vail's Grove could sell the property for the appraised value and that would be \$45,000 - \$55,000. GHD already offered \$25,000, which is a good opening number, said Mr. Duffy.

#### **TAPE WAS NOT TURNED ON UNTIL NOW**

Mr. Rights stated that we need to know value of loss of land and the value of where we would put leaves, as we will need to dispose of leaves off site now. This is something

GHD should pay for. Mr. Rights said this could be a calculated valuable supportable number based on a number of years and added to appraisal amount. Mr. Duffy asked what would happen if GHD does not say they are responsible. Mr. Rights said money could be held back from final payment. If the District does that, GHD could sue the District. But then it would be brought out that they took land that they do not own. Shareholder Walsh asked if we would rather GHD buys it or leases it? Ms. Desidero said this is something the Board needs to decide. Mr. Walsh said that if it is their mistake, they should buy it and it is not VG problem, it is a GHD problem. Ms. Myers asked about the possibility of a long-term lease so we could retain ownership. Mr. Duffy said if we do an easement, we would not need to sub-divide the land. Mr. Duffy said we really do not want to lose control of the land. Ms. Waltzer said if we keep it, we would still be paying taxes, but at least we still own it. Mr. Duffy stated that we have already given them an easement and when we give an easement, we cannot use the land. This was the area where we would dump our leaves. Ms. Desidero said that as a Board, we should know what they are offering before we vote to sell the property. Mr. Rights said again, it would be the aggregate number that it is costing us for their mistake. That area is where we put our branches, mulching, etc. GHD said that there is a spot that we could use, but it is fairly close to wetlands and we need to be careful of that. Ms. Rubini said that no matter what, we should be getting compensation for the past year's use of the land. Mr. Rights said that GHD and Arben are asking for a decision this month: check or land, so that the landscapers could come in and do what they need to do. Mr. Rights stated that he does not think this decision needs to be made right away and if we dilate the time, it will add to the damages. Mr. Rights feels that he is obligated to ask what Vail's Grove wants to do even though we have time. Ms. Desidero said when we in the position to know what the choices are. Mr. Duffy said we should go in there with a Fair Market Value price as the base, and then to add the reason we need the land, and the usage for the past year. Shareholder Jim Sheridan stated that the Board should say they would consider selling the property but that we do not know for what amount. Mr. Duffy asked Mr. Rights if Stearns & Wheler would come up with a better number when there is a meeting tomorrow. If we indicate that we would sell the land, would they come back with a number? Mr. Rights believes that S&W is trying to get through their checklist of items to be completed. Mr. Rights said if the Grove wants to wait, he will wait, but if the Board wants to give Mr. Rights a number, he can present them with that number. If we want to conserve the land, that would need to be worked out. The firm of Nathan Jacobsen stated that this area could be moved and approvals could be obtained, whereas Stearns & Wheler states that that is not so. Ms. Desidero stated that no one has definitively proven that this area cannot be moved. Shareholder Joan Sheridan suggested that a starting number could be whatever numbers it would cost to move the land, as a starting point. Ms. Desidero stated that everyone is invited to come sit in on the meeting being held with Stearns & Wheler GHD tomorrow. Mr. Duffy thanked Mr. Rights for coming to this meeting and for being so proactive for Vail's Grove.

**SECRETARY:**

Ms. Enos reported that the deadline for the next edition of the Vail's Voice is May 25<sup>th</sup> and that if anyone has anything they should send it to Meghan Cassidy. The office will

be closed on Monday May 30<sup>th</sup> for Memorial Day weekend. The Rodriguez re-finance motion has already been approved at the March meeting so the office apologizes for bringing it up for membership at the April meeting. The office is still busy with re-finances and day-to-day operations, especially with boat season upon us. Many questions have been coming through the office regarding the assessment bill from the Town of Southeast regarding the WWTP. The AWQR is still in process. Ms. Enos asked all to review the follow-up list for anything that is each Board members responsibility and to report when it is their turn on the agenda. And, a note from Peggy Boyle, "Over 3,300 books were collected by her son for a service project. They thank Vail's Grove and Victoria for the outpouring of books. 13 organizations benefited from this collection."

### **SUNSHINE:**

Ms. Enos reported the following:

Peter and Linda Van Scoy's daughter Sarah got married to Michael Broderick. Jay and Victoria Moore had baby Colton John on April 25<sup>th</sup>. Meghan and Frank Cassidy had Maeve Joy on May 2<sup>nd</sup>. Vince Tolve's father passed away. Joan Arnold's daughter Ashley Arnold-Slane and Kevin Slane had baby Fiona Josephine on March 24<sup>th</sup> and Bill and Peg Quinn's daughter and her husband Joe had a baby boy, Jack Carter, in December. We welcome our new neighbors, Hugh and Denise Andrews at 3 Maple Lane and congratulations to Kay Petroff, who, after many years renting, has purchased 5 Maple Lane.

### **LEGAL:**

Ms. Rubini would like to deal with estate issues regarding membership on a case-by-case basis. She does not want to set a specific process and wants to be sure we give people a respectful time and then she would get in touch with these individuals to see what their plans are as far as transfer of the estate.

Ms. Rubini reported that a letter was written to Stearns & Wheler about the wetlands area, and Mr. Duffy asked for Ms. Rubini to be sure to put in the letter that the 8-foot area to the west needs to be filled in, giving Stearns & Wheler 60 days to take care of that.

### **MORTGAGES:**

Ms. Rubini reported that the mortgage committee has met a few times and they are monitoring the situation. Right now, CitiMortgage is getting very close to closing some re-finances. Jim Cull ordered and received a copy of the Legitimate Lenders List, which is in the office. Jim Cull was reimbursed for this.

## **OMBUDSMAN:**

Ms. Rubini has been trying to get in touch with a Stockholder who made a complaint about a neighbor regarding certain conditions. She will continue to try to get in touch with this person.

## **RECREATION:**

No Report

## **BUILDINGS & GROUNDS:**

Jay Moore thanked the Board for recognizing his new baby. Mr. Moore reported that Andrew Kruzykowski would be working for B&G on some projects for a few weeks. The rails on Ramp Three have been adjusted. The streets have been swept and the same contractor will do the catch basins soon. The docks have started being installed and should be completed by the end of week. Mr. Moore stated that he, Mr. Davies and S&W did a walk around with the punch list. Ms. Myers asked about the sharp wires sticking out of the ground at Brooker Smith's house. She feels they are very dangerous. Mr. Davies will speak to him about removing them.

Mr. Davies continued with the B&G report. He discussed the sub-committee for the Marina (Jack Waltzer, Jay Couillard, Jay Moore, Michael Davies). The Marina is completed and the entire project cost \$150 and he thinks it looks great. Mr. Davies thanked everyone involved. Mr. Ryan asked about some of the floating docks around the lake. Mr. Davies said to contact the office and let the office know where these docks are. Mr. Duffy asked about what the procedure will be for the use of Grove docks. Mr. Davies stated that a form will need to be completed in the office, owners will get a sticker with a number and each person will be assigned a slip. Interested people will be informed of their assigned slip by Friday, May 19<sup>th</sup> and any other forms that come in after that will then be assigned a slip.

Mr. Davies then discussed the new six-car garage plan. Mr. Davies contacted 8 contractors. Four contractors picked up plans and only two bids were received. The bids will go to the Insurance Company and we will wait for them to get to us with what they will give us. Ms. Myers made a motion to approve Kenco at \$96,575.00 to build the garages. Ms. Enos seconded. Ms. Desidero thought the bids were to be as per plans and then for the bidders to take away numbers. SWB Inc. did as we asked. Kenco did not, she said. The Board then went back to Kenco and asked for our original request. Mr. Davies stated that the bids are now apples-to-apples. Ms. Desidero asked if these bids are using the same materials, etc. and Mr. Davies said that as far as he can tell, they are the same. Ms. Desidero really does not think the motion should be made to approve a contractor until we hear from Insurance Co. Mr. Duffy asked what happens if the Insurance Company does not offer us as much as even the lowest bidder. The first motion was then rescinded. Mr. Duffy then made a motion to go with Kenco at \$96,575, to submit to Insurance Company and if Insurance Company says they will give us check

for that, including demolition costs already paid, plus loss of rental, then it's a "go". If the Insurance Company gives us a lesser payout, it needs to come back to the Board for approval, if the Grove has to spend money on this. E-mail will go out to see if Ms. Desidero could ask for an Executive Vote so we do not need to wait another month. Ms. Myers seconded. Vote taken. Mr. Ryan abstained. All others in favor. Motion approved. Ms. Desidero is concerned about putting electricity into this building, as we had not had it in there before the collapse and it will encourage other uses for the garage beyond some storage that could be unpleasant for neighbors of the garage. Ms. Desidero stated the Building Department will not allow a staircase if there is no electricity.

Mr. Davies then reported on the Tennis Courts. He said in year's past we have used a cement product for patching and that asphalt and cement do not work well together. It will cost about \$3000 for painting the tennis courts as long as we get volunteers to help with this project. Ms. Waltzer made a motion to allow for \$3000, not out of B&G budget, to fix the tennis courts. Ms. Enos seconded. Ms. Desidero stated that this is one of the things that Long Range Planning has on the survey. Mr. Duffy asked what the results were on the survey about the tennis courts. Ms. Desidero said she didn't have those numbers. All in favor. Motion approved.

Mr. Davies wanted to answer a question that had come in previously: Are Stockholders allowed to build docks on Fire Roads where the Grove does not have docks. Mr. Davies spoke to some older residents and to Legal and said the answer is no.

Mr. Davies will respond to both letters received from Brooker Smith regarding water coming off Route 121. The problem seems to be that DOT used to clean catch basins on the other side of Route 121, and Mr. Davies will contact DOT to see if they will start to clean these out.

#### **REAL ESTATE:**

Ms. Myers made a motion to approve application from 5 Maple Lane for a deck. The deck is 35 long by 12 wide and conforms to both back and side setbacks. Letters have been sent. Ms. Waltzer seconded. All in favor. Motion approved.

Ms. Myers made a motion to approve application for a deck from 8 Maple Lane. This deck is 10 feet by 10 feet and meets all setbacks. Neighbor letters went out. Mr. Ryan seconded. All in favor. Motion approved.

Mr. Davies stated that as his Ambit business is growing and he helps more people save money, he is resigning as Chairman of the Real Estate Committee as of June 15<sup>th</sup>.

#### **MEMBERSHIP:**

Mr. Ryan made a motion to approve membership application from Mr. and Mrs. Ryan to purchase One Orchard Road. Ms. Waltzer seconded. All in favor. Motion approved.

Mr. Ryan made motion to allow Mr. and Mrs. Witte to change their re-finance to CitiMortgage. Ms. Waltzer seconded. Mr. Witte abstained. All others in favor. Motion approved.

Mr. Ryan made a motion to approve rental renewal for 105 Vail's Lake Shore Drive, which is due on June 1<sup>st</sup>, contingent to receiving satisfactory septic inspection, all outstanding payments in full, and a new rental agreement. Mr. Witte seconded. All in favor. Motion approved.

Mr. Ryan informed the Board that Penny Feder, who already owns 11 Vail's Lake Shore Drive, is purchasing 93 Vail's Lake Shore Drive and wants to be sure that she does not need to be vetted and does not need to be approved again for membership. Ms. Feder is gifting her house to her brother Larry Feder. Mr. Ryan asked if a new septic inspection is needed. Ms. Waltzer stated that the same occupant is going to be living there. Ms. Feder will be moving into 93 Vail's Lake Shore. Mr. Feder will submit a membership application and will be vetted. Due to the fact that it is within the two-year period and staying in the family, we do not need a new septic inspection.

#### **BOAT RAMP/NORTH END STORAGE:**

Mr. Ryan reported that he held a Boat Ramp Committee meeting. He said putting a new type of locks on the gates would be too expensive. Therefore, the key system will remain the same this year. Keys from key holders need to be returned to office by October 15, 2011. Key holders are Dennis Ryan, Dave Bruen, Ken Sullivan, Jack Keiley and Jim Cull. This information is posted on the website and is posted in the board at the Office.

The Boat Ramp will be closed this coming Friday afternoon until Saturday afternoon. This area will be filled in with gravel to level it off and make it easier for people to put their boats in. Ken Sullivan and Dave Bruen will do this.

The committee will wait until after July 4<sup>th</sup> and will then identify boats and/or trailers in the storage area that have not been moved for a long time. This area will be cleaned up to be made more usable. The Committee discussed limiting the number of trailers that a shareholder can put in the North End.

#### **PAVILION:**

Mr. Witte made a motion to approve an application from Sharon Scott to use the Pavilion on July 23<sup>rd</sup> as her Free Rental for service on the Board. Mr. Ryan seconded. All in favor. Motion approved.

Mr. Witte made a motion to approve the application for Pavilion use on July 16<sup>th</sup>. A \$350 check was received, insurance and security will be received. Ms. Enos seconded. All in favor. Motion approved.



Mr. Witte asked the Board what they think about renting the Pavilion to a resident who is a Girl Scout leader for her troop to use overnight. There would be about 20 girls and 5 Adult Chaperones. The Board said that would be fine.

Mr. Witte discussed the Energy Audit Report received from The Daylight Savings Company for the Pavilion. Mr. Witte asked for two Board members to volunteer to review the recommendations with him to see what we could do to save on Energy costs in the Pavilion. This will be placed into Board packet for next month. Mr. Duffy and Mr. Cassidy volunteered to review.

**SOCIAL:**

No report

**LONG RANGE PLANNING:**

No report

**TREES:**

No report

**AESTHETICS:**

Ms. Desidero reported that the gardens by the garage need to be moved prior to construction. She asked for volunteers to help. Ms. Waltzer, Ms. Desidero and Ms. Sheridan are the volunteers right now, but they will need more. Norton Circle Garden is being worked on.

**WWTP:**

Mr. Duffy thinks that Michael Rights would like us to make a decision about selling the property. Ms. Desidero stated that she does not think we need to make a decision until we know how much money we are being offered. Ms. Desidero said that the starting price should be what it would cost for that area to be moved. Mr. Duffy said the bottom line is the value of that land. He thinks an appraisal would have weight to it. In addition, we have lost usage of that area, etc. and do not know how to come up with a number for that. Ms. Myers does not think we need to go with what S&W thinks the land is worth. There are conflicting thoughts on how much it would cost to move, restore to original condition, remove pipes, etc. Ms. Desidero asked around the table what people think a good price would be, in the Boards opinion. Ms. Desidero said that we all agree in principal that we would sell the land for the right price. Ms. Desidero stated that the Town Supervisors and their attorneys are negotiating for us on our behalf. We should then take that price, and inform GHD we will bring this back to our Board. Mr. Duffy made a motion the we have the authority to make it clear to the two Supervisors that Vail's Grove would consent to sell the property at a price we agree to after we bring it

back to the Board. Ms. Enos seconded. Mr. Norcross asked if we have an area to place the leaves. Ms. Desidero said we might have a spot we could use. All in favor. Motion approved.

**PUMPHOUSE:**

No report

**PUBLIC LIAISON:**

No report

**BEACH:**

Mr. Cassidy reported that the lifeguards will be notified about who is being hired and what their hours will be. Mr. Cassidy read the upcoming schedule of Beach Events: July 1 – Cocktails at Sunset, July 15<sup>th</sup> – Tacos and Tequila, July 31 – Brunch on the Beach, August 20<sup>th</sup> – Kids Day, August 26<sup>th</sup> – BBQ/Bonfire.

**PUBLIC SAFETY:**

No report

**LEND A HAND:**

No report

**WELCOME:**

No report

**INSURANCE:**

Ms. Desidero instructed Ms. Battreall to send the bids for the Garage to the Insurance Company tomorrow. Ms. Desidero will inform Mr. McGuinness about this.

**Meeting adjourned at 10:30 pm.**