

VAIL'S GROVE COOPERATIVE, INC.

BOARD OF DIRECTOR'S MEETING

November 18, 2009

CALL TO ORDER:

Chairperson Victoria Desidero called the meeting to order at 8:15 pm and asked all to rise for the Pledge of Allegiance.

ATTENDANCE:

Secretary Sharon Scott took attendance. All Present

Tom Duffy introduced Putnam County Legislator Tony Hay, saying Mr. Hay is a very important force, who in 2004 obtained \$75,000 for the initial Waste Water Study with Stearns & Wheler. In the last year, Mr. Hay was one of the most influential people in getting the \$2.5 million for the Sewer District Project.

Mr. Hay addressed the Board and stated that he has been dealing with PLEC for a long time and helped attain the \$75,000 from Putnam County and also helped get the \$2.5 million. Mr. Hay wants us to know that his name in the past few weeks has been dragged through the mud. Mr. Hay would like the Board to know that the Supervisor of the Town of Southeast, Michael Rights, would like the Waste Water Treatment Plant plumbing connection and water meter work done by someone other than a Licensed Putnam County Plumber. Putnam County has a plumbing law, which is in effect to protect the health, safety and welfare of our water. He was asked to give an exemption for the project. One of the points brought up was that the DEP had the jurisdiction, which they do not; and, that this exemption would offer significant cost savings to the people of Peach Lake. Mr. Hay responded to Mr. Rights that he is aware of keeping the cost down and that we have worked very hard to get the money. Mr. Hay is here tonight to defend his name and to let us know that Putnam County is here for us. Mr. Hay cannot advocate waiving any Putnam County Law when it has to do with the health, safety and welfare of the residents. Mr. Hay hopes that the residents of Peach Lake would not ask him to violate any law. He said Peach Lake has worked so hard for so long, but now is not the time to "go cheap." Mr. Hay would waive a Putnam County fee, but he will not go against the law. It only takes \$500 to become a licensed plumber in Putnam County. The winning bid for the Peach Lake plumbing is with a licensed plumber. Ms. Desidero thanked Tony Hay for coming and sharing his side of the story with us. Ms. Desidero stated that we truly appreciate all his help in the past and going forward.

ACCEPTANCE OF MINUTES:

Sharon Scott made a motion to accept the minutes from the October meeting. Ronnie Waltzer seconded. Rob Norcross and Sue Enos abstained. All others in favor. Motion passed.

COMMENTS & CONCERNS OF STOCKHOLDERS:

Mr. Robert Torre addressed the Board. He wanted to know if we have any questions regarding his application for work on his house. Ms. Myers asked him to discuss his foundation issues. Mr. Torre stated that one of the main issues is that he stays inside the main footprint. Bruce Thompson of North Salem had given him a plan of the original foundation. Mr. Torre is trying to finish this up and install a floor for stability. Upon inspection, the foundation was measured and Mr. Torre wanted to show on these new plans what exactly is there on the site. The wood deck is covering the foundation. He is proposing to move the fireplace a little towards the lake and come a foot outside of the exterior wall, which is still on top of the foundation. No variance is necessary. In his meetings with Bruce Thompson, Mr. Thompson had no concerns regarding the discrepancy. The current plan shows that on the second floor there is a bump out of about 2.5 feet and Mr. Thompson said a variance for this is not necessary.

COMMITTEE REPORTS:

CHAIRPERSON:

Ms. Desidero reported that the Board had decided to implement something new at the monthly Board meetings. Shareholders can continue to sign up to speak at the start of the meeting; and, in addition, if there is something that is discussed during the meeting that a stockholder would like to comment on, there is a sign-up sheet to speak at the end of the meeting.

VICE-CHAIRPERSON:

Ms. Waltzer reported that in the Executive session, the Rules & Regulations were discussed further. At this meeting, the Board focused on the Real Estate section and this process is close to being complete.

The Board also discussed three shareholders who are two quarters in arrears and will be sent to Legal. Several budget issues were also discussed, including employee compensation.

VICE PRESIDENT & WWTP:

Mr. Duffy stated that it was good for Mr. Hay to come in and clarify some issues for us.

Mr. Duffy reminded everyone about the Groundbreaking Celebration on Saturday, November 21st at 3:00. All concerned have been working very hard on decorations, food, shovels, and music. State Senator Leibell, US Congressman Hall and Assemblyman Greg Ball will be here and the checks will be presented. Reps from DEP will be here as well as clergy for an opening blessing. Peggy Boyle has been working very diligently on this party.

Mr. Duffy asked Mary Rubini if we can accept a check from the Town, rather than a bank check for the land sale. Ms. Rubini stated that she feels there is no problem with this. Ms. Rubini will e-mail Warren Lucas that we will accept their check.

Mr. Duffy reported that we finalized the contract with TBC (Terry Bergendorff Collins) for land surveys for all properties in Vail's Grove, which has been reviewed by Mary Vail and signed by both parties. The fee will be \$325 per parcel and TBC has two years to complete. We expect that our cost to have these surveys completed will be written off. The cost for surveys completed in 2009 will help offset our 2009 taxes. Mr. Duffy is hoping to have the project completed by June. TBC estimates being able to complete three - four parcels a day. Ms. Desidero asked if a follow-up meeting with the Survey Committee has been scheduled. Minutes from the first meeting were sent out to the Committee. Ms. Desidero suggested that a meeting be scheduled.

TREASURER:

Ms. Mytych made a motion to ratify the Board's vote in the Executive Session for compensation for our employees. Ronnie Waltzer seconded. Mary Rubini abstained. Sue Enos and Rob Norcross voted against. All others in favor. Motion passed.

Ms. Mytych made a motion to send three stockholders to Legal, as they are two quarters in arrears. Sue Enos seconded. Mary Rubini abstained. Joan Myers voted no. All others in favor. Motion passed.

Ms. Mytych would like the Board to review the 2010 Budget Draft. If anyone has any questions, Ms. Mytych asks to be e-mailed. She asked Board members to please be prepared to vote at the December meeting.

Ms. Mytych also reported that an RFP was sent out this year for an independent auditor and an accountant. Ms. Mytych would like to have an accountant on retainer or on an as needed basis in case she has any accounting questions. The RFPs are due back to office by November 30th.

OMBUDSMAN:

Ms. Mytych reported that we received a written complaint about leaves being blown onto a shareholder's property by neighbors who do not want to pick up their leaves. The complainant stated that her neighbors are blowing their leaves into stacks and not bagging them. Ms. Mytych read the letter for the Board. A letter will be sent to the homeowners who are blowing their leaves onto someone else's property and the applicable rule will be cited.

SECRETARY:

As the newly appointed Secretary, Sharon Scott set 2010 goals and objectives. They are attached to these minutes.

Ms. Scott highlighted two items in her report for the Board's attention. First, is the request that all Board members write and submit a report of any items they plan to discuss at the next Board

meeting and have it to the office by 8 am the Friday before the Board meeting for inclusion in the Board packet. This will help the Board to be more prepared at the Board meeting. Second, Ms. Scott reviewed that Board meeting minutes will be sent out within seven days after the Board meeting to enable/remind Board members of any action items they have requiring follow-up.

AESTHETICS:

Ms. Waltzer said Aesthetics would spend some money to help decorate the Grove for the Holidays.

BEACH:

Mr. Norcross reported that the ropes and docks have been removed from the lake for the winter.

PUBLIC SAFETY:

No report

COMMUNITY LIASION:

Mr. Gregory stated that this Committee has still been unsuccessful in getting new members. This is a very busy time of year and hopefully, we can try again in January to get volunteers. Mr. Gregory stated that if you go to a meeting and make a statement, it does appear in the Towns minutes, which is a good way to have the Vail's Grove name out there. Ms. Desidero reiterated her request to Board members to try and help find volunteers for this Committee.

LEND-A-HAND:

No Report

INSURANCE:

No Report

PAVILION:

Sharon Scott made a motion to accept application from Rob Norcross to rent the large room on December 18th. Joan Myers seconded. Rob Norcross abstained. All others in favor. Motion passed.

Joan Myers made a motion to accept an application from Chip Howe to rent the Pavilion on July 24, 2010. Tom Duffy seconded. All in favor. Motion passed.

Mary Rubini made a motion to allow Anthony Spennichia to rent the Pavilion in February or March. The purpose will be for a fundraiser for St. James Church. Mr. Spennichia will sponsor

the event and will provide his check for \$350 and will provide his insurance. Joan Myers seconded. All in favor. Motion passed.

LONG RANGE PLANNING:

No Report

BUILDINGS & GROUNDS/ PUMPHOUSE:

Jack Waltzer reported that we had a violation at the Pump house. The chlorine was too low. Jack has reported it to the Board of Health and he stated that they were satisfied with the way this was handled. Jack Waltzer and Jay Moore took the pump apart and fixed it. There might be an administrative hearing about this issue. Mr. Waltzer reported that the water usage is fine.

Mr. Waltzer reported that Buildings & Grounds was responsible for putting up and taking down the barriers at the Ramps on Halloween. Jack thanked Ralph Matachierri, Victoria Desidero, Bill Quinn, Don Burrows and Nancy Carney for volunteering to keep the Grove safe.

Mr. Waltzer will be away for the next 10 days. Jay Moore has been picking up the leaves around the Grove and the speed bumps have been removed as well. Jay has also been doing work at Koestlers Garden. Boats have been slowly being put down into the North End.

Mr. Waltzer wants to know if the Board was planning to award the job for the water main project. Ms. Desidero said that this would be part of the Long Range Planning projects review and, that these projects will be decided upon at a later date. Ms. Desidero said that we should let all the bidders know that we are not making a decision on this yet. Mr. Waltzer thinks that this should wait until the early spring. Ms. Waltzer questioned if the prices would change in the spring.

Ms. Desidero asked who would be supervising Jay Moore while Mr. Waltzer is away. She would like to have someone oversee Buildings & Grounds to support Jay while Jack is away.

Mr. Duffy asked why we were not starting the water main project now instead of delaying until the spring. Ms. Desidero explained that we would look at the entire infrastructure, what can be a write-off, what can be capital expenditures, etc. At that time, we can see what we can spend by the end of the year. We now know how much these projects will cost. The surveys, we know, can be a write-off against the land sale money. Mr. Duffy questioned if we close soon and we only have one month left in 2009, why can't we move ahead. Ms. Desidero said they need the Long Range Planning meeting to happen, go back to the bidders and see what we could possibly do within the time frame. Mr. Duffy would hate to see us have to pay taxes on the land sale money, rather than using it for write-offs. Ms. Mytych explained that we have all been working very hard on this issue.

Ms. Scott stated that Capital Expenditures are not dollar for dollar write-offs. The Obama Stimulus money is a deduction and Ms. Mytych said that any project would have to be done by December 31st. Mr. Waltzer stated that it is possible to do part of this project this year.

Mr. Duffy asked if it is possible for the Executive Board to make a decision and possibly get part of this project done (meaning the water main project). Sue Enos, Fred Witte, Mary Rubini, Rob Norcross, Frank Cassidy and Joan Myers all said it would be fine with them if the Executive Board made this decision.

Ms. Rubini asked if we should have let the residents know about the chlorine issue at the Pump house when it originally happened. Ms. Desidero said we should look into County requirements about informing people about water problems.

RECREATION/SOCIAL:

Mr. Witte said the Christmas party would be on December 19th. Santa will be distributing gifts. The party will begin at 4:00 pm and include dinner and dancing with a DJ.

Mr. Witte is open for suggestions from people about what they would like the Committee to plan for this winter. Bingo is a possibility as well as a Covered Dish dinner.

Ms. Rubini reported that the Halloween Party was a great success. It was a packed house and a lot of fun. Ms. Rubini thanked Jay Moore for his set-up and Fred Witte for all his help.

Ms. Rubini made a motion to have a New Years Eve Party again in the Pavilion, to be run by Joan Ford and her group. Sue Enos seconded. All in favor. Motion passed.

LEGAL:

Ms. Rubini announced that the Land Sale Closing would be on Friday, November 20, at 10 am at the Pavilion. The Town Supervisors from North Salem and Southeast, as well as the Town Attorneys, will be present. Mr. Duffy will sign the closing documents as an officer of the Corporation. Ms. Desidero questioned what documents she can or cannot sign as Chairperson of the Board. She inquired if the Chairperson is considered an Officer of the Corporation.

Ms. Rubini made a motion to allow for the Land Sale closing to happen on Friday, November 20th. Joan Myers seconded. All in favor. Motion passed.

REAL ESTATE:

Ms. Myers presented the plans from Mr. Torre of 9 Vail's Lake Shore Drive. Ms. Myers made a motion to accept the plans submitted by Mr. Torre. Sue Enos seconded. Neighbor letters were sent out. There were no negative comments from any neighbors. Mr. Torre is not going out of the footprint. Mr. Duffy asked if the house could be cantilevered on the lakeside rather than on the Vail's Lake Shore Drive side. Ms. Myers said no, she did not think it was necessary to change the plans. Vote was taken. All in favor. Motion passed.

TREE COMMITTEE:

Ms. Desidero would like the Tree Committee to identify the process when Stockholders send letters of concern to the Board.

MEMBERSHIP:

Sue Enos made a motion to accept the rental renewal from Mrs. Mullaney at One Locust Road to Michelle and Robert LaPorte for another year. The septic is fine from last year. Joan Myers seconded. All in favor. Motion passed.

Sue Enos made a motion to accept a re-finance application from Brewster/Stone on Terrace Drive. Mary Rubini seconded. All in favor. Motion passed pursuant to the appraisal coming in with the total amount borrowed not being more than 80% of appraised value.

SUNSHINE:

Sue Enos reported that she would send condolences to Jim Burns on the passing of his father and get well wishes to Helen Vail. She also read a Thank You from Pat Tompkins regarding the gift the Grove sent on the passing of her mother. Ms. Enos also read a Thank You note from Janet O'Loughlin for the gift received from the Grove on the passing of her father.

WELCOME:

No report

BOAT RAMP/NORTH END STORAGE:

No report

NEW/OTHER BUSINESS:

None

Sue Enos made a motion to adjourn the meeting at 9:45 pm. Motion passed.