

MINUTES OF THE BOARD OF TRUSTEES MEETING HELD ON MAY 27, 2013 AT 103 BROADWAY, SALTAIRE, NEW YORK.

Mayor Cox called the Board of Trustees meeting to order at 9:05 a.m. and the following were in attendance:

Robert Lynn Cox III, Mayor
John A. Zaccaro Jr, Trustee
Alexander K. Chefetz, Trustee
Hugh A. O'Brien, Trustee
Frank Wolf, Trustee
Ann Connolly, Trustee-Elect
Joseph Harry Baker, Counselor to the Board
Mario Posillico, Administrator & Clerk
Donna Lyudmer, Treasurer
Joseph Prokop, Village Attorney
Dennis Foley, Chief of Security
And approximately 110 other attendees

PLEDGE OF ALLEGIANCE AND INTRODUCTION BY MAYOR

Mayor Cox led the meeting in the Pledge of Allegiance, and in honor of Memorial Day, a moment of silence for all soldiers who gave their lives in defense of the United States and the freedoms granted to its citizens.

Mayor Cox stated that before the Board commenced the business of the meeting, he wanted to take time to reflect on and to express gratitude for the fact that the Village of Saltaire, although not entirely recovered from one of the worst storms of the past century, has survived and rebounded from the storm to the extent that most if its residents could visit, live in and enjoy its beauty during the unofficial first weekend of the summer. He thanked all of the Village official, employees, volunteers, and the homeowners themselves for working so tirelessly to be able to make that happen. All in attendance concurred with the Mayor's sentiments with a round of applause.

NOTIFICATION OF ELECTED OFFICIALS AND SWEARING INTO OFFICE

The Village Clerk announced the election results of the 2013 Village election and notified Ann Connolly and Alexander Chefetz of their election to the office of Trustee, each for a two-year term. The oath of office was administered to each for their respective offices. The newly elected officials were welcomed with a round of applause. Mayor Cox expressed his gratitude to outgoing Trustee Hugh O'Brien for his invaluable service to the Village and Board of Trustees, helping guide the Village through a number of tumultuous events, not the least of which was Hurricane Sandy, and always providing context and perspective to all decision made by the Board. Trustee O'Brien congratulated Trustees Connolly and Chefetz, and stated that it was his honor to serve on the Board, and thanked his fellow Board members, past and present, and the Village staff for all their support over the years. Those in attendance thanked Trustee O'Brien with a warm round of applause.

POSTPONEMENT OF PUBLIC HEARING FOR PROPOSED MODIFICATIONS TO CHAPTER 55 OF THE VILLAGE CODE

Mayor Cox reported that notice had been published for a public hearing for consideration of a local law to modify various sections of Chapter 55 (Zoning) of the Village Code, but that since the comprehensive review was still a work-in-progress, it was therefore not eligible for adoption at the May 27th meeting. He stated that the most current draft had been published on the website and had been made available to all in attendance, and he opened the floor for the questions, comments, and discussion on the proposed changes. Trustee Wolf stated that the Board was still awaiting the final draft of the Architectural Review Committee's report on various aspects of the zoning code, and that their report had to be reviewed and considered before final drafting of the revised code. Comments were accepted from those in attendance, and after all had a chance to be heard, and there being no other comments, Mayor Cox closed the discussion and stated that he hoped for a public hearing for consideration of final adoption sometime before the end of the summer.

APPROVAL OF MINUTES

Draft copies of the minutes of the meetings of April 9, 2013 having been previously presented to the Board and posted in draft form on the Village web site, were presented for adoption. After discussion, and all having a chance to be heard, Trustee Wolf made a motion to adopt the minutes as presented. The motion was seconded by Trustee O'Brien, and the motion was carried according to the following:

Motion: Trustee Wolf

Seconded: Trustee O'Brien

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None

Draft copies of the minutes of the meetings of April 28, 2013 having been previously presented to the Board and posted in draft form on the Village web site, were presented for adoption. Trustee Chefetz stated that he was not present at the meeting and therefore has no input. After discussion, and all having a chance to be heard, Trustee O'Brien made a motion to adopt the minutes as presented. The motion was seconded by Trustee Zaccaro, and the motion was carried according to the following:

Motion: Trustee O'Brien

Seconded: Trustee Zaccaro

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien

Abstain: Trustee Chefetz

Against: None

ABSTRACT AUDIT

Mayor Cox stated that the following Abstracts was presented for approval by the Village Administrator and the Village Treasurer:

General Checking No. 11B in the amount of \$60,970.49

After discussion and opportunity for questions, Trustee Zaccaro made a motion that General Checking Abstracts 11B be approved as presented and that the Mayor be authorized to execute the warrants. The motion was seconded by Trustee Wolf, and the motion was carried according to the following:

Motion: Trustee Zaccaro
Seconded: Trustee Wolf
In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz
Against: None

Mayor Cox stated that the following Abstracts was presented for approval by the Village Administrator and the Village Treasurer:

Capital Checking No. 12A \$456,441.32

After discussion and opportunity for questions, Trustee Zaccaro made a motion that Capital Checking Abstracts 12A be approved as presented and that the Mayor be authorized to execute the warrants. The motion was seconded by Trustee Wolf, and the motion was carried according to the following:

Motion: Trustee Zaccaro
Seconded: Trustee Wolf
In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz
Against: None

Mayor Cox stated that the following Abstracts was presented for approval by the Village Administrator and the Village Treasurer:

General Checking No. 12A in the amount of \$171,517.21

After discussion and opportunity for questions, Trustee Wolf made a motion that General Checking Abstracts 12A be approved as presented and that the Mayor be authorized to execute the warrants. The motion was seconded by Trustee Zaccaro, and the motion was carried according to the following:

Motion: Trustee Wolf
Seconded: Trustee Zaccaro
In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz
Against: None

RESTORATION UPDATE

Mayor Cox asked Village Administrator Posillico to report on the restoration activities ongoing in the Village. Administrator Posillico reported that the reconstruction of Atlantic and Pacific Walks was complete, and that West Walk would be completed within a week or so. He reported that the maintenance staff will begin a more intensive replacement of damaged boards on the remainder of the walks, and continue to address settling and structural issues with those walks. He reported that the ocean overpasses at Broadway and Sea were complete, and those at West, Pacific and the ocean bathroom facilities will be completed in June. He also reported that both of the wagon racks on the dock have been put back into service and are ready for use.

VERIZON UPDATE

Mayor Cox reported on Verizon's plan to provide routine phone service through a system known as Voice-Link™, that is a wireless-based system from the home to various telephone poles around the Village that have antenna equipment to support that wireless transmission. He stated that the wireless system was made operational within the past week, and early reports have shown it to be able adequately to support the phone system and to enhance wireless services for Verizon devices. Mayor Cox stated that Verizon was not the only alternative for data and internet service, and advised all residents to shop around for the best combination of service and price. He also stated that the Public Service Commission (PSC) has granted temporary authorization to Verizon to allow it to use the Voice-Link™ system as an alternate to a hard-wired system, and is still soliciting public comments on Verizon's application. Mayor Cox stated that the Village will submit its official position, and that each resident should do so as well if they are inclined. He stated that information on how to submit a comment to the PSC is available at the Village Office will be distributed to all residents.

CLAM POND COVE STUDY

Mayor Cox reported that the Board has commissioned a study of the possible restoration of the rapidly eroding peninsula at the east end of the Village into Clam Pond Cove, for the purposes of both habitat restoration for various wildlife species, and for the flood mitigation of the shoreline of Clam Pond Cove. He stated that the first phase of the study will be an environmental feasibility study, which will focus on eel grass impacts. After those studies are complete, the Board will confer with its environmental consultant to determine the likelihood of approval from the various regulatory agencies having jurisdiction. He stated that if a project is able to move forward, the likely source of sand would be from the navigation channels in the bay that are filling in with sand and are in need of clearing.

APPLICATION FOR RELIEF OF COVENANTS AND RESTRICTIONS

Property Owner Salvatore Zizza requested that the Board consider and approve his application for the removal and transfer of deeded non-development covenants that exist on a portion of his property, specifically Lot numbers 1945 & 1946 in Block 56 of the Map of the Village of Saltaire, to another portion of his property, specifically Lot numbers 1949 and 1950 in Block 56 of the map of the Village of Saltaire. Mr. Zizza stated that if granted it would allow him to rebuild and relocate his existing structure northward, forty feet further away from the dune-line, and that the total square footage of land with non-development restrictions will remain the same after as before the transfer. He further stated that he is not requesting any relief from the zoning ordinances, and that his architect Nick Petschek had submitted as requested the final design drawings to the Village and the adjoining neighbors. Village Attorney Prokop stated that the applicant is required to submit an environmental assessment review form in conformance with SEQRA requirements. Mayor Cox stated that once that form has been submitted and reviewed, the Board will consider the request at the next available Board meeting.

RESOLUTION TO WAIVE FINANCIAL UNDERTAKING FOR ELECTIVE OFFICE

Trustee Zaccaro made a motion that the Board of Trustees, in accordance with the long-standing practice of the Village of Saltaire regarding the filing requirements for elected officials, resolves that elected officials of the Village of Saltaire shall not be required to file an undertaking as a

requisite for assuming duly-elected office. The motion was seconded by Trustee Wolf, and the motion was carried according to the following:

Motion: Trustee Zaccaro

Seconded: Trustee Wolf

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None

RESOLUTION REQUESTING THE NEW YORK STATE LEGISLATURE TO AMEND THE NEW YORK TAX LAW TO ADOPT A STATUTE AUTHORIZING THE VILLAGE OF SALTAIRE TO ADOPT A LOCAL LAW ESTABLISHING A TRANSFER TAX ON REAL PROPERTY TRANSFERS

Trustee Wolf made a motion to adopt the following resolution:

WHEREAS the Village of Saltaire is a waterfront community bounded on the north by the Great South Bay and on the south by the Atlantic Ocean and has many structures that are situated below the base flood elevations; and

WHEREAS, due to its location, topography and proximity to the ocean and bay, the Village of Saltaire is subject to erosion, flooding and other hazards requiring emergency response, long term coastal management, hazard mitigation and capital investment and repairs; and

WHEREAS the Village of Saltaire in addressing these concerns has in the past been required to use funds from its general fund or reserves; and

WHEREAS the Board of Trustees of the Village of Saltaire has determined that it is in the best interests of the Village of Saltaire to establish a reserve fund for emergency response, long-term coastal management, hazard mitigation and capital investment and repairs, and that the reserve fund should be funded by the revenues that are to be generated by a transfer tax on the gross consideration paid on the sale of real estate in the Village of Saltaire; and

WHEREAS in order for the Board of Trustees of the Village of Saltaire to adopt a local law establishing a transfer tax on real estate transfers the Village of Saltaire must first obtain authorization by the New York State Legislature by the amendment of the New York State Tax Law and the adoption of a new section of the New York State Tax Law authorizing the Village of Saltaire to adopt a local law establishing a transfer tax on the gross consideration paid on the transfer of real property in the Village of Saltaire; it is therefore

RESOLVED that the Board of Trustees hereby requests the New York State Legislature to amend the New York State Tax Law to enact a new section of the New York State Tax Law:

1. Authorizing the Village of Saltaire in accordance with the provisions of that new section to adopt a local law establishing a transfer tax of up to 2% on the gross consideration paid on all transfers of real property in the Village of Saltaire.
2. Requiring that the Village of Saltaire on the enactment of the amendment to the New York State Tax Law shall establish a reserve fund for emergency response, long-term

3. That the grantee of the real property transfer shall be responsible for the payment of the transfer tax.

The motion was seconded by Trustee O'Brien, and the motion was carried according to the following:

Motion: Trustee Wolf

Seconded: Trustee O'Brien

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None

STATUS OF THE SALTAIRE MARKET

Mayor Cox reported that although the item was not specifically listed on the agenda, many residents expressed concern about the status and future of the Saltaire Market, and since the owners of the business and the property, Frank and Chip Whitney, were present and had requested an opportunity to discuss with the residents the current and future status of the building and property, he felt it was an opportune time to discuss those concerns. Frank and Chip Whitney made a brief presentation on the status of the building, their options going forward, and their desire for cooperation from the Village with their plans. Mayor Cox responded that the Board considers a thriving commercial district, inclusive of a grocery operation, as vital to the long-term future of the Village, and that the Board would be willing to assist the current owner or any potential purchaser with any zoning requests, provided that the restoration plan for the building is demonstrated to be compliant with all relevant building, fire and health codes. Discussion ensued amongst the Board members and those in attendance, and after all having had a chance to heard, Mayor Cox moved onto the remainder of the agenda.

2013/14 FEE SCHEDULE

Trustee Zaccaro made a motion to adopt the 2013/14 fee schedule as presented. The motion was seconded by Trustee O'Brien, and the motion was carried according to the following:

Motion: Trustee Zaccaro

Seconded: Trustee O'Brien

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None

APPROVAL OF ENGINEERING CONSULTATION FOR BROADWAY RECONSTRUCTION

Administrator Posillico reported that the walk design being used for the walk reconstruction was specifically designed by RMS Engineering for walks of 8 feet in width, and that Broadway, which is also in need of reconstruction but is 12 feet in width, has different design considerations because of its increased width. The wider walks allows the vehicles to move within the walkway,

and therefore the basic design being used must be adjusted to meet the different load requirements created by the extra width. After discussion, Trustee Chefetz made a motion to accept the proposal of RMS Engineering to develop a specific design for the loading requirements of Broadway, for a fee not to exceed \$7,000. The motion was seconded by Trustee O'Brien, and on call it was approved according to the following action:

Motion: Trustee Chefetz

Seconded: Trustee O'Brien

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None

TRUSTEE REPORTS

Each Trustee gave a report on their specific areas of oversight.

ADJOURN INTO EXECUTIVE SESSION

After the Board received and responded to questions from those in attendance, Trustee O'Brien made a motion at 11:46 a.m. that the Board adjourn into Executive Session to discuss litigation strategy, contract and personnel issues. The motion was seconded by Trustee Zaccaro, and on call it was approved according to the following action:

Motion: Trustee O'Brien

Seconded: Trustee Zaccaro

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None

RE-ADJOURNMENT INTO PUBLIC SESSION

Trustee Zaccaro made a motion to re-adjourn into public session at 12:30 p.m. The motion was seconded by Trustee O'Brien, and on call it was approved according to the following action:

Motion: Trustee Zaccaro

Seconded: Trustee O'Brien

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None

The public meeting was called back into session by Mayor Cox at 12:30 p.m. and the following were in attendance:

Robert Lynn Cox III, Mayor
John A. Zaccaro Jr, Trustee
Alexander K. Chefetz, Trustee
Hugh A. O'Brien, Trustee
Frank Wolf, Trustee
Mario Posillico, Administrator & Clerk
Joe W. Prokop, Village Attorney
And 0 other attendees

NEXT BOARD MEETING & CLOSE OF MEETING

After all having had a chance to be heard, and there being no further business before the Board, Trustee O'Brien made a motion at 12:31 p.m. to close the meeting, with the next regularly

scheduled meeting, which shall also be the 2013 Organizational Meeting of the Village of Saltaire to be held on June 22, 2013, at 9:00 a.m. at 103 or 105 Broadway, Saltaire, New York. The motion was seconded by Trustee Chefetz, and on call it was approved according to the following action:

Motion: Trustee O'Brien

Seconded: Trustee Chefetz

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee O'Brien and Trustee Chefetz

Against: None