

MINUTES OF THE BOARD OF TRUSTEES MEETING HELD ON APRIL 9, 2014 AT 401 SEVENTH AVENUE, NEW YORK CITY, 6TH FLOOR, NEW YORK, NEW YORK AND VIA VIDEO/AUDIO LINK TO 103 BROADWAY, SALTAIRE, NEW YORK, WITH REMOTE OBSERVATION VIA AN AUDIO/VIDEO CONNECTION TO THE INTERNET.

Mayor Cox called the Board of Trustees meeting to order at 6:05 p.m. and the following were in attendance:

Robert Lynn Cox III, Mayor
John A. Zaccaro Jr, Trustee
Alexander K. Chefetz, Trustee
Frank Wolf, Trustee
Ann Connolly, Trustee
Mario Posillico, Administrator & Clerk
Donna Lyudmer, Village Treasurer
And approximately 12 other attendees

and the following were in attendance at the Saltaire location

Video Operator
And approximately 3 other attendees

and approximately 25 observed through internet audio/video connection.

PUBLIC PRESENTATION OF THE 2014/15 TENTATIVE BUDGET

Copies of the 2014/15 tentative budget were distributed to all in attendance and had been previously posted on the Village website. Administrator Posillico provided an overview of the projected results of the 2013/14 fiscal year and then the general highlights of the 2014/15 budget as presented. He stated that he projected a surplus of approximately \$70,000 for the 2013/14 fiscal year as compared to a surplus of \$115,000 that was originally budgeted. This will result in reserve levels as of May 31, 2013 of approximately \$1,115,000. He then provided an overview of the 2014/15 tentative budget, which carried an approximately 2.1% tax rate increase and was projected to result in a balanced budget. Further detail was provided on budgeted non-tax revenues and appropriations. After discussion amongst the members of the Board and those in attendance, and after all having had a chance to be heard, Trustee Zaccaro made a motion at 7:10 p.m. to close the Public Hearing to present and consider the 2014/15 tentative budget. The motion was seconded by Trustee Connolly, and the motion was carried according to the following:

Motion: Trustee Zaccaro

Seconded: Trustee Connolly

In Favor: Trustee Zaccaro, Trustee Chefetz, Trustee Wolf, Trustee Connolly

Against: None

APPROVAL OF MINUTES

Draft copies of the minutes of the meetings of February 27, 2014 and March 10, 2014 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 Connolly, and the motion was carried according to the following vote:

Motion: Trustee Wolf
Seconded: Trustee Connolly
In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly
Against: None

ABSTRACT AUDIT

Mayor Cox stated that the following Abstract, having been distributed to all in attendance and posted on the Village website, was presented for approval by the Village Administrator and the Village Treasurer:

General Checking No. 10A in the amount of \$101,550.88

After discussion and opportunity for questions, Trustee Connolly made a motion that General Checking Abstract 10A 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 Connolly
Seconded: Trustee Wolf
In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly
Against: None

Mayor Cox stated that the following Abstract, having been distributed to all in attendance and posted on the Village website, was presented for approval by the Village Administrator and the Village Treasurer:

Capital Checking No. 11A in the amount of \$325,376.20

After discussion and opportunity for questions, Trustee Chefetz made a motion that Capital Checking Abstract 11A 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 Chefetz
Seconded: Trustee Zaccaro
In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly
Against: None

APPLICATION FOR RELAXATION OF COVENANTS & RESTRICTIONS - 206 BROADWAY

Mayor Cox stated that at a previous meeting the owners of 206 Broadway, Ken and Roseann Larson, were authorized to make an official application to the Board of Trustees pursuant to the notice and publication requirements of Section 55-16 of the Code of the Village of Saltaire to relax

the current southern side yard setback restriction of 30 feet on their property imposed by certain covenants on the property. The attorney representing the Larsons, Lark Shlimbaum, presented to the Village Clerk evidence of such publication and mailings. Ms. Shlimbaum presented the formal request to the Board to grant relief from the current 30 foot setback restriction by 6 feet for a 24 foot long deck of 144 square feet. The presentation included diagrams and sketches of the subject and surrounding properties. After the presentation, and questions and comments from the members of the Board and those in attendance, and all having a chance to be heard, Trustee Wolf made the following motion as a prelude to approval of the request made by the Larsons:

RESOLUTION ADOPTING LEAD AGENCY STATUS, TYPING AN ACTION
AS AN UNLISTED ACTION AND ADOPTION OF A
NEGATIVE DECLARATION FOR PURPOSES OF SEQRA WITH
REGARD TO THE RELAXATION OF DEED COVENANTS

WHEREAS the Village of Saltaire is reviewing the possibility of authorizing the relaxation of deed covenants on 206 Broadway, and;

WHEREAS there is no involved agency in this matter other than the Village of Saltaire, and the Village of Saltaire is required to adopt lead agency status and undertake review of this action for purposes of SEQRA for that reason, it is therefore:

RESOLVED that the Village of Saltaire hereby adopts lead agency status with regard to the relaxation of deed covenants on 206 Broadway, and it is further;

RESOLVED that the Village of Saltaire hereby determines the relaxation of deed covenants on 206 Broadway is listed as an Unlisted action, and it is further;

RESOLVED that the Village of Saltaire hereby determines the relaxation of deed covenants on 206 Broadway will not have a significant negative impact on the environment in the action, and;

Will not result in a substantial adverse change in existing air quality, ground or surface water quality or quantity, traffic or noise levels, substantial increase in solid waste production, a substantial increase in potential for erosion, flooding, leaching or drainage problems, and;

Will not result in the removal or destruction of large quantities of vegetation or fauna, substantial interference with the movement of any resident or migratory fish or wildlife species, impacts on habitats, or other significant adverse impact on natural resources, impairment of a critical environmental area, and;

Will not result in the creation of a material conflict with a community's current plans or goals, and;

Will not result in the creation of a hazard to human health, and;

Will not result in a substantial change in land use, and;

Will not encourage or attract an additional large number of people to a place for more than a few days, and;

Will not result in the creation of a material demand for other actions, and;

Will not result in changes in two or more elements of the environment, each of which is not significant but when reviewed together are significant two or more related actions each of which is not significant but when reviewed together are significant, and that it is therefore;

RESOLVED that a Negative Declaration is hereby adopted for purposes of SEQRA.

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 Chefetz, Trustee Connolly
Against: None

Trustee Wolf then made the following motion:

RESOLUTION APPROVING THE APPLICATION FOR A RELAXATION OF A RESTRICTIVE COVENANT BY ROSEANN LARSON FOR THE PROPERTY 206 BROADWAY, VILLAGE OF SALTAIRE

WHEREAS Rose Ann Larson is currently the owner of the property 206 Broadway, Village of Saltaire, SCTM 503-2-2-35.001 (the "Larson property"); and

WHEREAS a restrictive covenant exists on the Larson property, that restrictive covenant having been placed on the Larson property by the Grantor Jane Boutwell, in a deed dated December 29, 1986, and recorded on March 24, 1987 at Liber 10278 at page 268 to Jane Friend as Grantee, and which deed transferred ownership of certain property, which included the Larson property, and other property, to Jane Friend; and

WHEREAS the Boutwell deed contained a restrictive covenant as follows:

“This conveyance is expressly subject to an agreement between the parties wherein Lot 1273 shall be a buffer lot between Lots 1274 and 1272. It is agreed that Lot 1273 shall remain vacant and that any structure built on the remaining lots conveyed hereunder (to wit :Lot 1268 to and including Lot 1272) shall be no closer than ten (10) feet from the lot line separating Lot 1273 from Lot 1272.”

WHEREAS RoseAnn Larson by her attorneys Schlimbaum and Schlimbaum, 320 Carleton Avenue, Central Islip, New York 11722, made an application to the Board of Trustees of the Village of Saltaire for a relaxation of the restrictive covenants contained in the Boutwell Deed, allowing RoseAnn Larson to construct a six (6) foot by twenty-four (24) foot deck extension on part of Lot 1272 of the Larson Property, and that the deck extension shall be located so that it is fifteen (15) feet east of the western boundary of Lot 1272, forty-six (46) feet west of the eastern boundary of Lot 1272 and four (4) feet north of the Lot line separating Lot 1272 from 1273; and

WHEREAS the Board of Trustees of the Village of Saltaire held a public hearing on the application by RoseAnn Larson, on April 9, 2014, at which time the attorneys for the applicant RoseAnn Larson appeared and presented testimony on behalf of the application, and the public commented on the application; and

WHEREAS the Board of Trustees of the Village of Saltaire duly considered its obligations pursuant to SEQRA , and the Board of Trustees adopted lead agency status, determined that the adoption of a resolution relaxing the restrictive covenant is an unlisted action, determined that

the adoption of the resolution would not have a significant negative impact on one or more aspects of the environment, and adopted a Negative Declaration; it is therefore

RESOLVED that the application of RoseAnn Larson to the Board of Trustees of the Village of Saltaire for a relaxation of the restrictive covenants contained in the Boutwell Deed, dated December 29, 1986 and recorded on March 24, 1987 at Liber 1028 at page 268, thereby allowing RoseAnn Larson to construct a six (6) foot by twenty-four (24) foot deck extension on part of Lot 1272 of the Larson Property, and that the deck extension shall be located so that it is fifteen (15) feet east of the western boundary of Lot 1272, forty-six (46) feet west of the eastern boundary of Lot 1272 and four (4) feet north of the Lot line separating Lot 1272 from Lot 1273 be and hereby is granted and that an Agreement for Relaxation of Restrictive Covenant in the same form as that which is attached to this Resolution be executed by the Village of Saltaire and the applicant RoseAnn Larson and be recorded at the office of the Suffolk County Clerk by the applicant RoseAnn Larson.

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 Chefetz, Trustee Connolly

Against: None

VILLAGE MARKET UPDATE

Mayor Cox provided an update on the current status of the property located at 100 Broadway. He stated that after numerous meetings and discussions with the Whitney family over the course of the last two months, that he is able to report that the Board has reached an agreement-in-principle with the Whitneys that will resolve the dispute to the satisfaction of both the Board and the Whitneys, and that when formalized by a contract, will put an end to the litigation that ensued as a result of the dispute. Mayor Cox acknowledged Saltaire resident Richard Leibner for his efforts in mediating and facilitating the negotiated resolution. Mayor Cox stated that he is not at liberty to reveal or discuss the specifics of the agreement-in-principle as the attorneys transition from the litigation to a formal contract. He further stated that unfortunately this resolution will not result in a re-opening of the market for the 2014 season, although the Board is looking at ways to mitigate that store's closure for the upcoming summer. Trustee Connolly provided a summary and led a discussion about those efforts. Mayor Cox then stated that the Board has already begun to take steps to begin the process to redevelop the property into a code compliant and full functioning commercial/municipal space providing services for the summer of 2015 and beyond. He stated that later in the meeting the Board will discuss which steps to undertake in advance of the contract execution in order to begin work on the design and permitting phase for the redevelopment of the property since the timing is critical to be able to possibly re-open for the summer of 2015. After discussion amongst the members of the Board and those in attendance, and all having a chance to be heard, Mayor Cox proceeded to the next item on the agenda.

AUTHORIZATION TO RENEW BOND ANTICIPATION NOTES FOR FEMA WORK

Mayor Cox reported that in 2013 the Board had authorized and secured from JP Morgan Chase a Bond Anticipation Note (BAN) in the amount of \$2,000,000 to finance the boardwalk reconstruction projects in anticipation of reimbursement from FEMA that can take anywhere from three months to one year to receive after expenditure. He stated that the BAN is due to expire on May 9, 2014, and with at least another year of boardwalk construction in the schedule, the Village will continue to need the \$2,000,000 BAN to cover the projects until reimbursement. After discussion amongst the members of the Board and those in attendance, and all having a chance to be heard, Trustee Zaccaro made a motion to authorize the Village Administrator and/or the Village Treasurer to take all steps necessary in conjunction with Village's Bond Counsel to authorize and secure a \$2,000,000 BAN for another year at prevailing market rates. 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 Chefetz, Trustee Connolly

Against: None

AUTHORIZATION TO EXECUTE THE 2014 MEDICAL CONTRACT

Trustee Zaccaro made a motion to authorize Mayor Cox to negotiate and execute the medical services contract with Dr. Robert Furey for the 2014 season for a fee of \$3,500 in the form presented and reviewed by the Village Attorney. The motion was seconded by Trustee Wolf, and on call it was approved according to the following action:

Motion: Trustee Zaccaro

Seconded: Trustee Wolf

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

Against: None

AUTHORIZATION TO EXECUTE PURCHASE CONTRACT FOR 100 BROADWAY

Mayor Cox stated the he was given broad authority in the previous Public Purpose resolutions to acquire 100 Broadway through either Condemnation Proceedings or a Negotiated Sale, but since there is now before the Board specific terms of a negotiated sale, it is appropriate to have specific authorization to proceed under those conditions. Trustee Wolf made the following motion as a prelude to approval of authorization to acquire 100 Broadway through a negotiated contract of sale:

RESOLUTION ADOPTING LEAD AGENCY STATUS, TYPING AN ACTION
AS AN UNLISTED ACTION AND ADOPTION OF A
NEGATIVE DECLARATION FOR PURPOSES OF SEQRA WITH
REGARD TO THE PURCHASE ACQUISITION AND REDEVELOPMENT OF 100 BROADWAY

WHEREAS the Village of Saltaire is reviewing the possibility of authorizing the acquisition and redevelopment of the property located at 100 Broadway, Saltaire by the Village of Saltaire for a Village market and other municipal purposes, and;

WHEREAS there is no involved agency in this matter other than the Village of Saltaire, and the Village of Saltaire is required to adopt lead agency status and undertake review of this action for purposes of SEQRA for that reason, it is therefore:

RESOLVED that the Village of Saltaire hereby adopts lead agency status regarding authorizing the acquisition and redevelopment of the property located at 100 Broadway, Saltaire by the Village of Saltaire for a Village market and other municipal purposes, and it is further;

RESOLVED that the Village of Saltaire hereby determines that authorizing the acquisition and redevelopment of the property located at 100 Broadway, Saltaire by the Village of Saltaire for a Village market and other municipal purposes is listed as an Unlisted action, and it is further;

RESOLVED that the Village of Saltaire hereby determines that authorizing the acquisition and redevelopment of the property located at 100 Broadway, Saltaire by the Village of Saltaire for a Village market and other municipal purposes will not have a significant negative impact on the environment in the action, and;

Will not result in a substantial adverse change in existing air quality, ground or surface water quality or quantity, traffic or noise levels, substantial increase in solid waste production, a substantial increase in potential for erosion, flooding, leaching or drainage problems, and;

Will not result in the removal or destruction of large quantities of vegetation or fauna, substantial interference with the movement of any resident or migratory fish or wildlife species, impacts on habitats, or other significant adverse impact on natural resources, impairment of a critical environmental area, and;

Will not result in the creation of a material conflict with a community's current plans or goals, and;

Will not result in the creation of a hazard to human health, and;

Will not result in a substantial change in land use, and;

Will not encourage or attract an additional large number of people to a place for more than a few days, and;

Will not result in the creation of a material demand for other actions, and;

Will not result in changes in two or more elements of the environment, each of which is not significant but when reviewed together are significant two or more related actions each of which is not significant but when reviewed together are significant, and that it is therefore;

RESOLVED that a Negative Declaration for the acquisition and redevelopment of the property located at 100 Broadway is hereby adopted for purposes of SEQRA.

The motion was seconded by Trustee Chefetz, and the motion was carried according to the following:

Motion: Trustee Wolf

Seconded: Trustee Chefetz

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

Trustee Chefetz then made the following motion:

**RESOLUTION AUTHORIZING ACQUISITION
BY THE VILLAGE OF SALTAIRE OF
PROPERTY LOCATED AT 100 BROADWAY**

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 acquire the property located at 100 Broadway for a Village market and other municipal purposes, and

WHEREAS the Board of Trustees of the Village of Saltaire has determined by separate resolution that the acquisition of the property located at 100 Broadway by the Board of Trustees will not have a significant negative impact on the environment, it is therefore

RESOLVED by the Board of Trustees of the Village of Saltaire that the Mayor of the Village of Saltaire is authorized to acquire the property located at 100 Broadway on behalf of the Village for a Village market and other municipal purposes for a purchase price of up to eight hundred and fifty thousand dollars (\$850,000), and the Mayor is authorized to execute the documents required for this transaction; and it is further

RESOLVED by the Board of Trustees that the Mayor of the Village of Saltaire is hereby authorized to negotiate additional agreements that may be required in order to complete the acquisition of the property 100 Broadway and to expend up to an additional fifty thousand dollars (\$50,000) for that purpose.

The motion was seconded by Trustee Wolf, and the motion was carried according to the following:

Motion: Trustee Chefetz

Seconded: Trustee Wolf

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

ENVIRONMENTAL COMPLIANCE AND BOND RESOLUTION FOR ACQUISITION OF 100 BROADWAY

Trustee Zaccaro submitted the following Environmental Compliance and Bond resolutions and moved for their adoption.

ENVIRONMENTAL COMPLIANCE RESOLUTION TO MAKE FINDINGS AND DETERMINATIONS

WHEREAS, Butler Engineering, a competent architectural and engineering firm, duly licensed by the State of New York (the "Architect and Engineer"), and Land Use Ecological Services, a competent Environmental Planning Firm, will coordinate, at the instance of the Board of Trustees (the "Board") of the Village of Saltaire (the "Village"), and prepare engineering and architectural and land use proposals and studies and an estimate of the cost of:

(a) the acquisition, reconstruction and demolition of the Saltaire Market building and the land thereon, authorized by the Board pursuant to a bond resolution in the aggregate principal amount of \$1,000,000 including rights-in-land, original furnishings, equipment, machinery, apparatus required for such purpose, and preliminary and incidental costs related thereto (the "Project") and said engineering and architectural plans and studies will be filed in the office of the Village Clerk and available for public inspection when submitted;

(b) the construction and equipping of a new building on the Project site to be undertaken and financed by a local development corporation to be established by the Board, to be a building of class "A" construction (as that term is defined in the Local Finance Law), authorized by the Board pursuant to the bond resolution referred in paragraph (a) above at an estimated cost of \$2,500,000 including rights-in-land, original furnishings, equipment, machinery, apparatus required for such purpose, and preliminary and incidental costs related thereto (the "New Saltaire Market") and said engineering and

architectural plans and studies will be filed in the office of the Village Clerk and available public inspection when submitted; and

WHEREAS, the Board of Trustees has determined that upon the examination of an environmental assessment form (“EAF”) prepared by the above mentioned consulting firms, each component of the Projects and the New Saltaire Market are each an “unlisted action”, as that term is defined in 6 NYCRR §617.2(ak), or a “Type II action”, as that term is defined in 6 NYCRR §617.2(aj), and therefore the Village has caused the EAF to be prepared and promptly filed with the Village Clerk; and

WHEREAS, it is proposed that the maximum amount estimated to be expended for the Project is \$1,000,000 and that the estimated cost of the New Saltaire Market is \$2,500,000, and that the cost of the Project is to be financed by the issuance of serial bonds of the Village in the aggregate principal amount of not to exceed \$1,000,000 pursuant to the Local Finance Law of New York (the “LFL”), and if deemed advisable by the issuance of bond anticipation notes in anticipation of the issuance of said bonds, and that the costs of the New Saltaire Market is to be financed by the issuance of bonds by a local development corporation to be established by the Board pursuant to the Not-for-Profit Corporation Law and the Public Authorities Law; and

WHEREAS, it is proposed that the costs of the Project are to be paid from a tax levied upon all the taxable property in the Village in annual installments determined by the Board of Trustees in amounts sufficient to pay the principal of and interest on said bonds to be authorized in a bond resolution to be adopted by the Board; and

WHEREAS, the evidence contained in such engineering and architectural studies and in the EAF with respect to the Projects permits the Board to make the determinations hereinafter in connection with actions to be made for the purpose of authorizing the financing of the Projects;

NOW THEREFORE, pursuant to proceedings prescribed in 6 NYCRR at §617 of the State Environmental Quality Review Act (“SEQRA”) regulations, BE IT RESOLVED, BY THE BOARD OF TRUSTEES OF THE VILLAGE OF SALTIRE, NEW YORK, as follows:

Section 1. The Village, by and through the Board, hereby declares and designates itself to be the “lead agency” as that term is defined in 6 NYCRR §617.2(u), with respect to the environmental review of the Projects.

Section 2. Upon receipt and examination of the EAF it is hereby determined that the Project and the New Saltaire Market are each unlisted actions or a Type II actions, as those terms are defined in 6 NYCRR §617.2(ak) and §617.2(aj), respectively.

Section 3. No other agency other than the Village is involved in said environmental review and no coordinated review or segmentation of such review is necessary or required with respect to the Project or the New Saltaire Market.

Section 4. No hearing as set forth in 6 NYCRR §617.10(e) is required in making the determinations contained herein with respect to the Project or the New Saltaire Market.

Section 5. Taking into account the criteria set forth in 6 NYCRR §617.7, upon review of all pertinent information, including taking a hard look at all the facts and circumstances, it is determined that the Project and the New Saltaire Market (i) will each not have a significant effect on the climate or climate change, and (ii) will each not have a significant effect on the environment, and no unidentified adverse effects are anticipated with respect to the Project or the New Saltaire Market and are precluded from further review under the Environmental Conservation Law.

Section 6. The Village shall maintain a file, readily accessible to the public, in the office of the Village Clerk, containing this resolution, and the EAF.

Section 7. This resolution shall take effect immediately upon its adoption, AND FURTHER,

BOND RESOLUTION, DATED APRIL 9, 2014, AUTHORIZING THE ISSUANCE OF UP TO \$1,000,000 AGGREGATE PRINCIPAL AMOUNT SERIAL BONDS OF THE VILLAGE OF SALTIRE, COUNTY OF SUFFOLK, STATE OF NEW YORK, PURSUANT TO THE LOCAL FINANCE LAW, TO FINANCE THE COSTS OF ACQUISITION, DEMOLITION AND RECONSTRUCTION AND OF THE SALTIRE MARKET BUILDING IN AND FOR THE VILLAGE.

WHEREAS, the Board of Trustees of the Village of Saltaire (the “Village”), a municipal corporation of the State of New York, located in the County of Suffolk, hereby determines that it is in the public interest of the Village to exercise its powers of urban renewal and rehabilitation of damaged buildings and structures located in the Village, and to authorize the financing of the costs of the acquisition, demolition and reconstruction of the Saltaire Market building and the land

thereon, in and for the Village, including any preliminary and incidental costs related and allocated proportionally thereto, at a total estimated cost not to exceed \$1,000,000, all in accordance with the Local Finance Law;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Saltaire, County of Suffolk, State of New York, as follows:

Section 1. There is hereby authorized to be issued serial bonds of the Village, and/or bond anticipation notes issued in anticipation of the issuance of such serial bonds, in the aggregate principal amount not to exceed \$1,000,000, pursuant to the Local Finance Law, in order to finance the costs of acquisition, reconstruction and demolition of the Saltaire Market building and the land thereon, in and for the Village, including any preliminary and incidental costs related thereto (the "Project").

Section 2. It is hereby determined that the Project is a specific object or purpose, or of a class of object or purpose, as described in subdivisions 12(b) of paragraph a of Section 11.00 of the Local Finance Law and that the period of probable usefulness of the Project is fifteen (15) years. The serial bonds authorized herein shall have a maximum maturity of five (5) years computed from the earlier of (a) the date of issuance of such serial bonds, or (b) the date of issuance of the first bond anticipation notes issued in anticipation of the issuance of such serial bonds.

Section 3. The Board of Trustees of the Village has ascertained and hereby states that (a) the estimated maximum costs of the Project are not to exceed \$1,000,000; (b) no money has heretofore been authorized to be applied to the payment of the costs of the Project; (c) the Board of Trustees of the Village plans to finance the costs of the Project from the proceeds of the serial bonds authorized herein, and/or of bond anticipation notes issued in anticipation of the issuance of such serial bonds; (d) the maximum maturity of such serial bonds authorized herein shall not be in excess of five (5) years; (e) on or before the expenditure of moneys to pay for any costs in connection with the Project for which the proceeds of any obligations authorized herein are to be applied to reimburse the Village, the Board of Trustees of the Village took "official action" for federal income tax purposes to authorize the capital financing of such expenditure; and (f) insofar as the Project is undertaken pursuant to the Village's urban renewal powers contained in Article 15 of the General Municipal Law, the Village intends to provide for the permanent redevelopment of the Project site through a local development corporation to be established by the Board of Trustees of the Village.

Section 4. Subject to the terms and conditions of this bond resolution and the Local Finance Law, including the provisions of Sections 21.00, 30.00, 50.00 and 56.00 to 60.00, inclusive, the power to authorize serial bonds as authorized herein, and bond anticipation notes issued in anticipation of the issuance of such serial bonds, including renewals thereof, the power to prescribe the terms, form and contents of such serial bonds and such bond anticipation notes, and the power to issue, sell and deliver such serial bonds and such bond anticipation notes, are hereby delegated to the Village Treasurer, as the chief fiscal officer of the Village. The Village Treasurer is hereby authorized to execute on behalf of the Village all serial bonds issued pursuant to this bond resolution, and all bond anticipation notes issued in anticipation of the issuance of such serial bonds, and the Village Clerk is hereby authorized to impress the seal of the Village (or to have imprinted a facsimile thereof) on all such serial bonds and all such bond anticipation notes and to attest such seal. Each interest coupon, if any, representing interest payable on such serial bonds shall be authenticated by the manual or facsimile signature of the Village Treasurer.

Section 5. The faith and credit of the Village are hereby and shall be irrevocably pledged for the punctual payment of the principal of and interest on all obligations authorized and issued pursuant to this bond resolution as the same shall become due.

Section 6. When this bond resolution takes effect, the Village Clerk shall cause the same, or a summary thereof, to be published together with a notice in substantially the form prescribed by Section 81.00 of the Local Finance Law in the Islip Bulletin, the official newspaper of the Village and having a general circulation in the Village. The validity of the serial bonds authorized herein, and of bond anticipation notes issued in anticipation of the issuance of such serial bonds, may be contested only if such obligations are authorized for an object or purpose, or class of object or purpose, for which the Village is not authorized to expend money, or the provisions of law, which should have been complied with at the date of the publication of this bond resolution, or such summary thereof, were not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty (20) days after the date of such publication, or if such obligations are authorized in violation of the provisions of the Constitution of the State of New York.

Section 7. Prior to the issuance of any obligations authorized herein, the Board of Trustees of the Village shall comply with all applicable provisions prescribed in Article 8 of the Environmental Conservation Law, all regulations promulgated thereunder by the New York State Department of Environmental Conservation, and all applicable Federal laws and regulations in connection with environmental quality review relating to the Project (collectively, the "environmental compliance proceedings"). In the event that any of the environmental compliance proceedings are not completed, or require amendment or modification subsequent to the date of adoption of this bond resolution, the Board of Trustees of the Village will re-adopt, amend or modify this bond resolution prior to the issuance of any obligations authorized herein upon the advice of bond counsel. It is hereby determined by the Board of Trustees of the Village that the Project will not have a significant effect on the environment.

Section 8. The Village hereby declares its intention to issue the serial bonds authorized herein, and/or bond anticipation notes issued in anticipation of the issuance of such serial bonds (collectively, the “obligations”), to finance the costs of the Project. The Village covenants for the benefit of the holders of such obligations that it will not make any use of the proceeds of such obligations, any funds reasonably expected to be used to pay the principal of or interest on such obligations, or any other funds of the Village, and will not make any use of the Project which would cause the interest on such obligations to become subject to federal income taxation under the Internal Revenue Code of 1986, as amended (the “Code”) (except for the federal alternative minimum tax imposed on corporations by section 55 of the Code), or subject the Village to any penalties under section 148 of the Code, and that it will not take any action or omit to take any action with respect to such obligations, the proceeds thereof or the Project financed thereby, if such action or omission would cause the interest on such obligations to become subject to federal income taxation under the Code (except for the federal alternative minimum tax imposed on corporations by section 55 of the Code), or subject the Village to any penalties under section 148 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of any serial bonds authorized and issued under this bond resolution, or any other provisions hereof, until the date which is sixty (60) days after the final maturity date or earlier prior redemption date thereof. The proceeds of any obligations authorized herein may be applied to reimburse expenditures or commitments of the Village made in connection with the Project on or after a date which is not more than sixty (60) days prior to the date of adoption of this bond resolution by the Board of Trustees of the Village.

Section 9. For the benefit of the holders and beneficial owners from time to time of the serial bonds authorized herein, and of bond anticipation notes issued in anticipation of the issuance of such serial bonds, the Village agrees, in accordance with and as an obligated person with respect to such obligations under, Rule 15c2-12 (the “Rule”) promulgated by the Securities Exchange Commission pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner as may be required for purposes of the Rule. In order to describe and specify certain terms of the Village’s continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Village Treasurer is authorized and directed to sign and deliver, in the name and on behalf of the Village, the commitment authorized by subsection 6(c) of the Rule (the “Commitment”) to be placed on file with the Village Clerk, which shall constitute the continuing disclosure agreement made by the Village for the benefit of holders and beneficial owners of such obligations authorized herein in accordance with the Rule, with any changes or amendments that are not inconsistent with this bond resolution and not substantially adverse to the Village and that are approved by the Village Treasurer on behalf of the Village, all of which shall be conclusively evidenced by the signing of the Commitment or amendments thereto. The agreement formed collectively by this paragraph and the Commitment shall be the Village’s continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet costs the Village would be required to incur to perform thereunder. The Village Treasurer is further authorized and directed to establish procedures in order to ensure compliance by the Village with its continuing disclosure agreement, including the timely provision of information and notices. Prior to making any filing in accordance with the agreement or providing notice of the occurrence of any material event, the Village Treasurer shall consult with, as appropriate, the Village Attorney and bond counsel or other qualified independent special counsel to the Village and shall be entitled to rely upon any legal advice provided by the Village Attorney or such bond counsel or other qualified independent special counsel in determining whether a filing should be made.

Section 10. This bond resolution shall take effect immediately upon its adoption by the Board of Trustees of the Village.

The motion to adopt the Environmental Compliance and Bond resolutions was seconded by Trustee Connolly, and on call it was approved according to the following action:

Motion: Trustee Zaccaro

Seconded: Trustee Connolly

In Favor: Trustee Wolf, Trustee Zaccaro, Trustee Chefetz, Trustee Connolly

Against: None

ACCEPTANCE OF PROPOSAL FOR DESIGN SERVICES FOR 100 BROADWAY

Administrator Posillico reported that he had received a proposal from Butler Engineering, which such proposal had previously been delivered to the members of the Board, to provide concept design and permitting services for the planned redevelopment of 100 Broadway, for a fee of \$22,500.00

After discussion from members of the Board and those in attendance, and all having a chance to be heard, Trustee Chefetz made a motion to authorize Administrator Posillico to accept the proposal of Butler Engineering pursuant to their proposal dated March 29, 2014 to deliver concept design and permitting services for fee of \$22,500.00. The motion was seconded by Trustee Wolf, and on call it was approved according to the following action:

Motion: Trustee Chefetz

Seconded: Trustee Wolf

In Favor: Trustee Wolf, Trustee Zaccaro, Trustee Chefetz, Trustee Connolly

Against: None

ADOPTION OF THE 2014/15 BUDGET

Discussion ensued regarding the adoption of the 2014/15 budget, and various scenarios from a zero percent tax increase to an approximately 2.1% tax increase were discussed and debated.

After discussion from members of the Board and those in attendance, and all having a chance to be heard, Trustee Zaccaro made a motion to adopt the budget as presented with an approximately 2.1% tax increase which would result in a balanced budget. The motion was seconded by Trustee Connolly, and on call it failed to receive sufficient votes for adoption according to the following action:

Motion: Trustee Zaccaro

Seconded: Trustee Connolly

In Favor: Trustee Zaccaro, Trustee Connolly

Against: Trustee Wolf, Trustee Chefetz

Abstain: Mayor Cox

Trustee Zaccaro then made a motion modify the tentative budget as presented and to adopt it with an approximately 2.1% tax increase and elimination of expenses related to temporary market services for 2014 which would result in an approximately \$50,000 surplus. The motion was seconded by Trustee Wolf, and on call it failed to receive sufficient votes for adoption according to the following action:

Motion: Trustee Zaccaro

Seconded: Trustee Wolf

In Favor: Trustee Zaccaro, Trustee Wolf

Against: Trustee Connolly, Trustee Chefetz

Abstain: Mayor Cox

Trustee Chefetz then made a motion, as follows:

WHEREAS, the tentative budget for the fiscal year 2014-2015 has been duly presented to the Board by the Village Administrator, and a duly advertised public hearing has been held thereon, and

WHEREAS, the final assessment role for the Village of Saltaire for the fiscal year 2014-2015 has been duly filed with the Village Clerk,

NOW THEREFORE BE IT RESOLVED, that the tentative budget as presented be modified to reflect a zero percent tax increase and elimination of expenses related to temporary market services for 2014 resulting in balanced budget, and

BE IT FURTHER RESOLVED, pursuant to the Village Law §5-508(4), that the said modified tentative budget reflecting a tax rate of \$5.35 per thousand of assessed value, be and hereby is adopted as the budget of the Village of Saltaire, New York, for the fiscal year 2014-2015, and

BE IT FURTHER RESOLVED, pursuant to §1420 of the Real Property Tax Law, that the Board of Trustees levy Real Estate Tax in the amount of \$2,085,067 against all properties listed in the 2014/15 assessment roll of the Village of Saltaire, and

BE IT FURTHER RESOLVED that the Mayor be authorized to execute the Warrant for Collection of Taxes pursuant to §1246 of the Real Property Tax Law, and authorize the Village Treasurer to pay the annual salaries or pro-rated part thereof, on a semi-monthly basis, for the full-time employees of the Village of Saltaire as reflected in the budget, and to pay the seasonal and hourly employees on a semi-monthly basis to be hired as needed to fill the needs anticipated and reflected in the budget.

The motion was seconded by Trustee Wolf, and on call the motion was approved and the budget adopted according to the following action:

Motion: Trustee Chefetz

Seconded: Trustee Wolf

In Favor: Trustee Chefetz, Trustee Wolf, Mayor Cox

Against: Trustee Connolly, Trustee Zaccaro

ADJOURN INTO EXECUTIVE SESSION

After the Board received and responded to questions from those in attendance, and all having a chance to be heard, Trustee Wolf made a motion at 8:33 p.m. that the Board adjourn into Executive Session to discuss litigation strategy, contract and personnel issues. The motion was seconded by Trustee Connolly, and the motion was carried according to the following:

Motion: Trustee Wolf

Seconded: Trustee Connolly

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

RE-ADJOURNMENT INTO PUBLIC SESSION

Trustee Chefetz made a motion to re-adjourn into public session at 9:10 p.m. The motion was seconded by Trustee Connolly, and the motion was carried according to the following action:

Motion: Trustee Chefetz

Seconded: Trustee Connolly

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None

The public meeting was called back into session by Mayor Cox at 9:10 p.m. and the following were in attendance:

Robert Lynn Cox III, Mayor

John A. Zaccaro Jr, Trustee

Alexander K. Chefetz, Trustee

Frank Wolf, Trustee
Ann Connolly, Trustee
Mario Posillico, Administrator & Clerk
Donna Lyudmer, Village Treasurer
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 Chefetz made a motion at 9:10 pm to close the meeting and to hold the next Board of Trustees meeting on May 26, 2014, at 9:00 a.m. at 103 or 105 Broadway, Saltaire, New York. The motion was seconded by Trustee Wolf, and the motion was carried according to the following action:

Motion: Trustee Chefetz

Seconded: Trustee Wolf

In Favor: Trustee Zaccaro, Trustee Wolf, Trustee Chefetz, Trustee Connolly

Against: None