

NORTHEASTERN CAVE CONSERVANCY, INC.

Minutes

Christa Hay

12/10/06 Howe Caverns Lodge, Howe Cave, NY 10:00 AM

Meeting called to order at 10:18 am

1. Introduction and greetings – President Bob Addis
2. Attendance:
Officers: B. Addis, B. Folsom, J. Levinson, C. Hay
Trustees: J. Allison, J. Armstrong, M. Chu, V. Kappler, J. Siemion, B. Simmons, P. Youngbaer, M. Warner
3. Nominating Committee Chairman Mike Martuscello announced the results of the Officers' election search.
4. Addis moved to convene a meeting of the Trustees to elect Officers. P. Youngbaer will preside over the elections as Chairman of the Trustees and will report.
2nd by **????**
Passed unanimously
Allison nominates P. Youngbaer for Vice President, B. Folsom for Treasurer, B. Addis for President and C. Hay for Secretary.
2nd by Warner
For – Rest, Abstained – Youngbaer
Passed
5. Absent without Proxy -none
6. Absent with Proxy: Chuck Porter for Al Hicks
7. Simmons nominated J. Levinson for proxy for Youngbaer.
Passed unanimously
8. Hay moved to thank Joe Levinson for position of transitional Treasurer for 2006.
2nd by Porter
For- rest, Abstained – Levinson
Passed
9. President's Report – Bob Addis- Attachment A
10. Vice President's Report –Bill Folsom
 - Recent efforts have been focused on:
 1. Howe Caverns
 2. NCC Treasurer search
- 5a. Pompeys ad hoc Committee – no change
11. Treasurer's Report – Joe Levinson (past treasurer) - Attachment B
12. Secretary's Report – Christa Hay
 - Status quo
13. Acquisitions Committee Report –Chuck Porter – no report
14. Bylaws Committee Report – Joe Levinson
 - Nothing to report - No one has made any changes.
 - Discussion at meeting: overlap of officers –Joe will put something together to discuss at the next meeting.
15. Conservation Committee Report - Joe Armstrong
 - More clean-up @ Baugh Cave
 - Westfalls - good three day work-out gets a new culvert to replace the old curtain drains that were placed in the trench in the 90's.

16. Publications/Publicity Committee Report - Christa Hay
 - Nothing to report
17. Fundraising Committee Report - Alan Traino – no report
18. Office Committee Report – Emily Davis / Mike Warner
 - Problems- None
 - Progress- We have completed shifting funds (\$10,000) to the National Speleological Foundation for long term investment. We have opened a variable rate money market account at NBT which will allow us to transfer funds to our general checking account easily. We have written only one check since July (\$40 to the promotional account) so all committee expenses are the same as in my last report.
 - Plans: I would like all receipts and expenses from 2006 delivered to me at the December 10 meeting so they can go on the books for this year.
19. Knox Cave Preserve Report – Emily Davis/Jay Siemion.
 - Problems: Minor disagreement over placement of no trespassing signs. This is in the management plan. Emily wants to continue using these in strategic places. We will continue with this discussion and welcome input. (Not really a problem but not progress or plan either)
 - Progress: Jay has gotten prices for boarder signs and has asked for this as a budget item. We have authorization for a lawn mower which will help with upkeep.
 - Plans: Re-cut the Knox, Crossbones trail which has overgrown a bit. Put up property line signs after they are printed.
20. Onesquethaw Cave Preserve Report – Thom Engel – no report
21. Sellecks Karst Preserve Report – Jason Siemion – no report
22. Clarksville Preserve Report – Mike Chu, Thom Engel, Chuck Porter – no report
23. Ella Armstrong Preserve Report – Joe Armstrong
 - no report all's quiet
24. Membership Report – Sean Ryan – no report
25. Website Subcommittee Report – Mike Chu – no report
26. Land Trust Liaison Committee Report – Jon Allison
 - Update at meeting- Mike Bourgeois finished the survey and it is ready to file. Allison talking to MHLC to see how to file.
 - Old: Mike Bourgeois has been working on the survey of the Gregory parcel for us. Mike and Chuck Porter did the field work, but Mike is having trouble getting records to match up. See below from one of his emails:

During the field survey, I had met the Ingrahams who live in the stone house to the west of the Gregory parcel. Their parcel had been surveyed in the past and I believe that Paul J. Engle had done the work because I had found several iron pipes around their property that had caps with his name on them. They also provided me a map of their property that they had. Unfortunately, the survey map and deeds do not agree with the iron pipes that I had found along their east line (that would be our common line of the Gregory property). So I have been trying to find Mr. Paul Engle to discuss his ideas when he had done his work. He is retired and the phone numbers that I found were not in order. I had spoken with several other local land surveyors in my society and no one could help me with locating him YET. I really do not want to dispute his work but I at least need to find out why he did what he did.

Secondly, along our east property line I had located some stone wall remains and some old wire fence remains but this too does not fit together with the current deeds that I have acquired at the court house. Neither our deed or the parcel east of Gregorys (old house) give me enough information to place this line with any confidence since neither the stone wall or the fence had been mentioned in any deed. I will need to again go to the court house to conduct more deed research to see if I can shed any light on this.

In addition, I am going to set up a meeting with the Albany County real property folks to see if they can show or explain to me how they created the geometry for the Gregory parcel, as they show it on the tax map, from what they have in their records which could be more than I would find in the court house.

I wish I had better news for you but I am still working on it and hope that I can reach some solid decisions soon.

27. Legal Committee Report – Dan Werner – no report

28. Special and Group Use Coordinators – Aaron and Amy Cox – no report

29. Financial and Investments Committee – Vacant.

30. Volunteer Value Committee – Vince Kappler

- Progress: VV totals increased substantially for the 4th straight quarter. We now document over \$20,000 and 1000 hours of labor to NCC projects. The web page to submit hours, http://www.necaveconservancy.org/add_vv.php is working very well and some members are using it regularly. I encourage all Officers, Committee Chairs and Property Managers to check it out.

Plans: I have a motion before the Board to formally establish guidelines for calculating VV and a proposal to increase the labor rate to \$15.00 per hour. (A copy of the VV guidelines I propose to be adopted is attached.) I will use the 2007 IRS rate of \$0.485 per mile when calculating mileage for 2007. I will continue to collect data and maintain totals of the hours, mileage, and expenses members contribute to NCC projects. I will send periodic VV reminders to the membership, monitor data collection, and try to answer questions as they come up.

Problems: None at this time

31. Ad hoc Committee - General Liability Insurance Report – Peter Youngbaer

- We finally received a quote for more than \$7,000 for liability insurance. While this is not out of line with what other conservancies are seeing, it is clearly beyond our current budget means. My recommendation is to reject it. This means we will be going naked as far as general liability insurance is concerned - not a good thing, from my point of view - but this is unaffordable.
- Discussion at meeting: Contact Ted Keyes (NSS) America might be friendlier than Chubb.

32. Ad hoc Committee - Code of Ethics and Conflict of Interest- Vince Kappler/Peter Youngbaer – Attachment C

33. Addis moved to open the Committee of the Whole. The Vice President will preside.

2nd by Allison

Passed unanimously

- 2007 NCKMS – donation- sent out form letter to NCC Bob sent an email to him to turn him down. Do we want to donate?
- 2007 NSS convention – do we want a table for the NCC-yes, there will be plenty of people there to help. Will have display.
- Kappler - Conflict of interest- took two formats from other organizations. More information at next meeting.
- NCKMS – final report \$6,618.57 so much caver volunteer help saved a lot of money for group.
- Allison – no reports – really need to make sure the reports come in, especially from the preserves. Would like to see usage information.
- Martuscello – Officer elections – should we go to 2 year elections.
- Cantello – question on budget on how it is set up.
- Carlisle Bicentennial – Addis, Siemion and Porter are working on this. We should have at least a poster and handouts available.

34. Youngbaer moved to close the Committee of the Whole.

2nd by Levinson

For – all

Passed unanimously

Break for lunch 12:05 - 12:37

35. Hay moved to accept the minutes of the September 30, 2006 meeting.
2nd by Simmons
Passed unanimously
36. Hay moved to accept the 2007 Budget as attached in the treasurer's report.
2nd by Levinson

Allison moved to postpone motion for no more than two weeks.
2nd by Folsom
Passed unanimously
37. Youngbaer moved that the Northeastern Cave Conservancy, Inc. purchase basic liability insurance and volunteer accident coverage through the Conserve-a-Nation program.
2nd by Simmons
Against – all
Failed
38. Youngbaer moved that the Northeastern Cave Conservancy, Inc. join the Land Trust Alliance.
2nd by Folsom
Youngbaer moved to postpone until March meeting
2nd by Levinson
Passed unanimously
39. Kappler moved that all Board actions will be recorded in the Board Manual and distributed to the Trustees within 60 days of the meeting minutes being circulated.
2nd by Simmons
For – rest, Abstained – Simmons, Folsom
Passed
40. Armstrong moved to substitute for the June 2001 motion that the NCC reimburse up to \$250.00 for a culvert at Westfalls Spring Cave, if land owner approval is given.
2nd by Levinson
For – rest, Abstained – Armstrong
Passed
41. Addis moved that Joe Levinson be Chairman of the Financial and Investments Committee.
2nd by Allison
For – rest, Abstained – Levinson
Passed
42. Kappler moved the NCC will follow the guidelines published in Appendix AN of the *NSS Board of Governors Manual* in calculating Volunteer Value for NCC projects. The "dollar" amount credited for labor may be adjusted periodically to reflect the current value generally credited by not for profit organization for volunteer labor.
2nd by Simmons
Passed unanimously
43. Kappler moved that the 2007 hourly rate for volunteer work on NCC projects is increased to \$15.00 per hour beginning January 1, 2007.
2nd by Allison
Passed unanimously
44. Allison moved that the Treasurer will report expenditures and balances to date in all accounts in his/her quarterly report to the Trustees.
2nd by Youngbaer
For – rest, Abstained – Folsom
Passed
45. Informational Point: The Officers will conduct an Executive Committee meeting on February 3rd at 3:00 pm in Cohoes, NY.
46. Allison moved to appoint Mike Martuscello as trustee until June 2007 Board meeting.
2nd by Warner
Passed unanimously

47. Addis moved that the next NCC Board meeting will be held on March 30th at 1:00 pm at the Gallupville Nature House.
2nd by Levinson
For – rest, Abstained Levinson
Passed
48. Youngbaer moved to go into Executive session for the purpose of hearing from John Sagendorf.
2nd by Warner
Passed unanimously
Time entered session: 1:34 PM
Simmons moved to end Executive session.
2nd by Youngbaer
Passed unanimously
Session adjourned: 2:02 PM
49. Youngbaer moved to go into Executive session for the purpose of discussing information about Howe Caverns subject to the Confidentiality Information Memorandum and subsequent developments, and to decide on any course of action.
2nd by Hay
Passed unanimously
Time entered session: 2:05 PM
- Warner moved to end Executive session.
2nd by Armstrong
Passed unanimously
Session adjourned: 3:18 PM
50. Addis moved to thank Howe Caverns for hosting the meeting.
2nd by Hay
Passed unanimously
51. Addis moved to adjourn.
2nd by Armstrong
Passed unanimously

ATTACHMENT A PRESIDENT'S REPORT

December 7, 2006

1. **Howe Caverns.** As we have mentioned before, the ad hoc committee can not offer specifics because of the confidentiality agreement that we have signed, but we have been quite busy exploring all possibilities. The underlying principles remain the same: The NCC is dedicated to preserving the cave and karst area surrounding it and we are seeking continual public access. Not all of the bidders in the process have those goals, and because of this the NCC has risen to the top of the bidder list.
2. **Aeolus Bat Cave, VT.** The Nature Conservancy of VT lost two key players in this project, and the other employees are struggling to carry the load and be active in the replacement process. The NCC was very close to a Memorandum of Understanding with TNC, but we fall back a distance with a new specialist in place. A spring 07 meeting is planned.
3. **NCC Treasurer.** There is now an urgent search for a new treasurer. Please think of any possible candidates and tell a Board member.
4. **End of Year Fund Raising.** Get your tax deductible donations into the Office before December 31. Thank you.

5. **Becker's Cave, Schoharie, NY.** The apartment property has changed hands in September, but at this writing it is not clear who actually owns the cave. We are researching it and hope to have more information at the meeting.
6. **Surprise (Mystery) Cave, NY.** Board member and DEC employee Al Hicks has recently written the DEC office and individual controlling the cave and offered an alternative by discussing management with the NCC. Hopefully his urging will start a dialogue and lead to a management plan.

**Attachment B
Treasurers Report
For
The Northeastern Cave Conservancy, Inc.
10-Dec-06**

As of Dec-06, we had \$16,201.93 in our combined bank accounts. I also discussed during the last EC meeting the possibility of opening a money market account to gain better interest on our money, therefore we now have a total of three accounts, two checking accounts, and a money market account. The total above indicates the sum of all our accounts. In addition, I moved \$10,000.00 from our checking account over to the National Speleological Foundation per discussions of the EC. In the last accounting we had assets of \$28,900.00 being held by the National Speleological Foundation, this does not include the \$10,000.00 that was just added.

During the last EC meeting we worked on the proposed budget for the next year. Attached is the proposed budget.

I had the privilege and enjoyed the last 7 + 1 years serving as the treasurer of the NCC. During that time the NCC has grown by leaps and bounds, and so has the job of being treasurer. My commitments with my job and school this past year have resulted in much less time that I can devote to the position. That is why the last year I did not seek an 8th term as treasurer, but did accept as the transitional treasurer for 2006. I will not be able to act even in a diminished capacity during the next year due to other commitments I have made. The Board had a year to find a replacement, and I view my time as being up as the transitional treasurer. When the Board finds a replacement, I will be happy to work with the new person to complete a smooth transition.

Respectively submitted,

Joe E. Levinson

Attachment C (part 1)

NORTHEASTERN CAVE CONSERVANCY, INC.

CONFLICT OF INTEREST POLICY

SECTION 1. PURPOSE:

The Northeastern Cave Conservancy, Inc. (herein referred to as NCC) is a nonprofit, tax-exempt organization. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of the NCC as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public.

Consequently, there exists between the NCC and its board, officers, and management (committee chairs and property managers) and the public a fiduciary duty, which carries with it a broad and unbending duty of loyalty and fidelity. The board, officers, and management have the responsibility of administering the affairs of the NCC honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the NCC. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the NCC or knowledge gained therefrom for their

personal benefit. The interests of the organization must be the first priority in all decisions and actions.

SECTION 2. PERSONS CONCERNED:

This statement is directed not only to trustees and officers, but to all members who can influence the actions of the NCC. For example, this would include all who make purchasing decisions, all persons who might be described as management, i.e., committee chairs or property managers, and anyone who has proprietary information concerning the NCC.

SECTION 3. AREAS IN WHICH CONFLICT MAY ARISE:

Conflicts of interest may arise in the relations of trustees, officers, and management with any of the following third parties:

1. Persons and firms supplying goods and services to the NCC.
2. Persons and firms from whom the NCC leases property and equipment.
3. Persons and firms with whom the NCC is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting the NCC.
6. Agencies, organizations, and associations which affect the operations of the NCC.
7. Family members, friends, and other members.

SECTION 4. NATURE OF CONFLICTING INTEREST:

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 3. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with the NCC .
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with the NCC.
3. Receiving remuneration for services with respect to individual transactions involving the NCC.
4. Using NCC's time, personnel, equipment, supplies, or good will for other than NCC-approved activities, programs, and purposes.
5. Receiving personal gifts or loans from third parties dealing or competing with the NCC .
Receipt of any gift is disapproved except gifts of a value less than \$50, which could not be refused without discourtesy. (Any such "token" gift is to be reported to the President.)
No personal gift of money should ever be accepted.

SECTION 5. INTERPRETATION OF THIS STATEMENT OF POLICY:

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 4, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the trustees, officers, and management will recognize such areas and relation by analogy. The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of the NCC.

However, it is the policy of the board that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the board, officers, and management to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

SECTION 6. DISCLOSURE POLICY AND PROCEDURE:

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed;
2. The person with the conflict of interest is excluded from the discussion and voting on such transaction. However, any officer/trustee who is excluded from voting pursuant to this policy may answer pertinent questions of other officers/trustees and be present when the interested officer/trustee knowledge regarding the matter will assist the Board.
3. The Board has determined that the transaction is in the best interest of the organization; and
5. The minutes of the meeting shall indicate that the interested officer/trustee disclosed the interest or involvement in the matter being considered by the Board, recused herself/himself from the discussion, and abstained from voting on the matter.

Disclosure in the organization should be made to the Board. The Board shall determine whether a conflict exists and in the case of an existing conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to the NCC. The decision of the Board on these matters will rest in their sole discretion, and their concern must be the welfare of the NCC and the advancement of its purpose.

I have read and understand the foregoing CONFLICT OF INTEREST POLICY, I agree to its terms, and my actions have been and will continue to be guided thereby.

Print Name and Position

Signature and Date

Attachment C (part 2)

CONFLICT OF INTEREST POLICY OF THE NORTHEASTERN CAVE CONSERVANCY, INC.

The proper governance of the Northeastern Cave Conservancy, Inc. (herein referred to as NCC) depends upon the active participation of its officers and trustees. It is important for NCC Officers and Trustees to be aware that the appearance of conflict can be troublesome even though there is in fact no conflict whatsoever. Therefore, the NCC Board must be fully informed at all times as to events or circumstances which might create the appearance of conflict.

The Officers and Trustees of the NCC are guided by this Conflict of Interest Policy whenever they are carrying out or representing the NCC. In this role, each has a duty of loyalty to the NCC. The duty of loyalty generally requires an officer or trustee to prefer the interests of the NCC over the officer's/trustee's interest or the interests of others. In addition, officers and trustees of the Foundation shall avoid acts of self-dealing which may adversely affect the tax-exempt status of the NCC or cause there to arise any sanction or penalty by a governmental authority.

Because officers and trustees volunteer their services to the NCC it is possible that officers and trustees may occasionally have a personal interest or a familial interest in actions that come before the NCC, the following general principles have been established:

- (1) Each officer/trustee shall maintain the highest level of ethical conduct and shall exercise the highest standard of care, diligence and prudence when conducting any activity on behalf of the NCC.

- (2) In the event any officer/trustee or a member of his or her immediate family has a personal or business interest in, or is involved in any way with, an organization that has an interest in any Board action, such interest or involvement shall be disclosed to the Board. In such event, the interested officer/trustee shall neither vote nor participate in the discussion of the matter. However, any officer/trustee who is excluded from voting pursuant to this policy may answer pertinent questions of other officers/trustees and be present when the interested officer/trustee knowledge regarding the matter will assist the Board.
- (3) The minutes of the meeting shall indicate that the interested officer/trustee disclosed the interest or involvement in the matter being considered by the Board, recused herself/himself from the discussion, and abstained from voting on the matter.

I HAVE READ AND UNDERSTAND THE FOREGOING CONFLICT OF INTEREST POLICY, I AGREE TO ITS TERMS, AND MY ACTIONS HAVE BEEN AND WILL CONTINUE TO BE GUIDED THEREBY.

NORTHEASTERN CAVE CONSERVANCY, INC.

Officer's/Trustee's Name

Officer's/Trustee's Signature, Date