

**LMOA BOARD OF DIRECTORS
Open Session Minutes**

DATE: Thursday, August 25, 2011

PLACE: Terrace Room, LMOA

DIRECTORS: **Present:**
Benita Ellen, President Britt Johnson, Vice President
Cliff Altschull, Treasurer Valerie Palamountain, Secretary
Don Fickes Joy Bauserman
Ida Swenson

STAFF: **Present:**
Tom Boisvert
Linda Adams
Peggy Alexander
Meg Gore

1. CALLED TO ORDER

The meeting of the Lake Monticello Owners' Association was called to order in Open Session by Pres. Ellen at 6:08 PM on August 25, 2011.

MOTION by Director Fickes and seconded by Director Swenson “that the Board of Directors go into Executive Session to discuss legal, contractual, and personnel issues.”

Motion carried 7-0-0

2. RECONVENE IN OPEN SESSION

The meeting reconvened at 7:22 PM.

3. PLEDGE OF ALLEGIANCE

4. EXECUTIVE SESSION REPORT

The Board met in Executive Session at 6:09 PM to discuss legal, contractual, and personnel matters. The Executive Session adjourned at 7:13 PM.

No action was taken during the August 25, 2011 Executive Session.

5. MINUTES AND CONSENT AGENDA

MOTION by VP Johnson and seconded by Pres. Ellen *“that the Board of Directors approve the minutes of the Executive Session of July 28, 2011, and the Open Session July 28, 2011.”*

Motion carried 5-0-2 Sec. Palamountain and Director Swenson abstaining

MOTION by Director Swenson and seconded by Director Fickes *“that the Board of Directors confirm the Consent Agreement of August 1, 2011 Reconciliation of Financial Records Contract.”*

Motion carried 7-0-0

MOTION by Director Swenson and seconded by VP Johnson *“that the Board of Directors approve the minutes of the Special Executive Session August 17, 2011 and Special Open Session August 17, 2011.”*

Motion carried 4-0-3 Pres. Ellen, Treas. Altschull and Director Fickes abstaining

MOTION by VP Johnson and seconded by Treas. Altschull *“that the Board of Directors approve the record of the Work Session on Dredging August 22, 2011.”*

Motion carried 7-0-0

6. OTHER REPORTS

6.1 Fluvanna County Board of Supervisors Report – Supervisor John Gooch, Palmyra District

County report was submitted by Supervisor Gooch.

6.2 Aqua Virginia Smoke Testing in the Lake Monticello Sewer Collection System (Tim Castillo, Area Manager)

Smoke testing will be done by Aqua Virginia in early September.

6.A.1 9.2 Add PM 4.02R Financial Management: Reserves Management (Director Johnson)

MOTION by VP Johnson and seconded by Director Fickes *“that the Board of Directors table PM 4.02R Financial Management: Reserves Management and sent back to Building, Roads and Grounds and Finance committees for rewriting.”*

Discussion:

Director Fickes: Lake Preservation and Storm Water Management should be included. Members may comment on PM 4.02R.

Motion carried 7-0-0

6.B.1 10.3 Road Patching Contract (Linda Adams, Solicitation and Contracts Administrator)

MOTION by Pres. Ellen and seconded by Director Swenson “that the Board of Directors table the road patching contract.”

Discussion:

Pres. Ellen: the road patching contact will be on the consent agenda in the future.

Motion carried 7-0-0

7. MEMBER COMMENTS #1 AGENDA ITEMS (5 minutes per member – Total 30 minute maximum)

Gerald McCall 325/1

The Concerned Residents Group of Lake Monticello, concerned about the dredging of minor coves.

Trevor Fennell 341/9

Dredging program needs to be revised and reorganized to be effective.

Wayne Schmidt 370/3

Expressed concern about maintaining roads with the road patching contract on hold.

George Westerlund 79/1

Dredging plan needs to include the small coves.

Rob Beck 291/3

Chair of the Lake Preservation Committee, will hold his comments on agenda item 9.2 PM 4.02R which was removed from the agenda.

Page Gifford 431/4

Need to improve communications with members.

Charlie Maurer 118/2

Urged caution when making changes to the dredging program.

Scott Cahill Watershed Services

There is a significant and serious problem with the oxygen levels in the Lake that needs to be addressed. The situation will become worse if it is not addressed.

7.A RECESS

Board recess for 10 minutes and reconvened at 8:40pm.

8. UNFINISHED BUSINESS

None

9. BYLAW AND POLICY CHANGES - Second Reading

9.1 Amend PM 16.18 Committee Charters: Storm Water Management Committee Charter to Update Committee purpose, duties and responsibilities (Director Swenson)

MOTION by Director Swenson and seconded by Director Fickes “that the Board of Directors approve PM 16.18 Committee Charters: Storm Water Management Committee Charter.”

Director Bauserman questioned the III.c. Pres. Ellen reminded that III.g. required legal counsel. Sec. Palamountain questioned the purpose of the Storm Water Management Committee and the purpose be aligned to an Advisory Committee.

Motion was withdrawn by Director Swenson with the concurrence of Director Fickes. By 9/1/11, BOD will have all comments to Dir Swenson.

9.2 Add PM 4.02R Financial Management: Reserves management (Director Johnson)

Tabled, see 6.A.1 above.

10. NEW BUSINESS

10.1 Watershed Services Contract Amendment 1 (Linda Adams, Solicitation and Contracts Administrator)

MOTION by Director Swenson and seconded by Director Fickes “that the Board of Directors approve Amendment No. 1 to the Main Dam Watershed Services Contract to extend existing culvert to the Main Dam and reslope the toe and lower face of the dam to prevent further erosion and to accept the changes to the internal repairs to the contract as specified in Amendment No. 1 at no additional cost to LMOA.”

Scott Cahill was asked to comment on the changes. The Amendment allows for a significant amount of work which will be more effective at no additional cost.

Motion carried 7-0-0

10.2 Maintenance Equipment Purchase Order (Linda Adams, Solicitation and Contracts Administrator)

MOTION by VP Johnson and seconded by Director Swenson “that the Board of Directors approve and authorize General Manager to sign a Purchase Order to Mechanicsville Rental Center for the purchase and installation of two rubber tracks for the ASV RC100 Track Loader in the total amount of \$5,680.00 to be funded from the Maintenance Outside Parts and Labor Account.”

Motion carried 7-0-0

10.3 Road Patching Contract (Linda Adams, Solicitation and Contracts Administrator)

See 6.B.1 above.

10.4 VDOT Easement (Wayne Schmidt, Chair Building Roads and Grounds Committee)

MOTION by VP Johnson and seconded by Treas. Altschull *“that the Board of Directors approve the Right of Way document as presented to the Board of Directors on August 25, 2011 and authorize the General Manager to sign said VDOT document.”*

MOTION to amend by Director Swenson seconded by Treas. Altschull *“to insert the words ‘and President’ after ‘General Manager’ and ‘subject to review by LMOA legal counsel’ after ‘VDOT document.’ ”*

Motion carried 7-0-0

AMENDED MOTION *“that the Board of Directors approve the Right of Way document as presented to the Board of Directors on August 25, 2011 and authorize the General Manager and President to sign said VDOT document subject to review by LMOA legal counsel.”*

Motion carried as amended 7-0-0

10.5 Request for Waiver of Annual Tenant Fee Lot 179 Section 9 Wells/Hagley (Meg Gore, Executive Assistant).

Staff recommends that the waiver be denied.

MOTION by Director Fickes and seconded by Treas. Altschull *“that the Board of Directors deny a waiver of the Annual Tenant Fee to Pamela Wells and Elaine Hagley for the property 39 W. Lake Forest Drive for the year 2011.”*

Motion carried 7-0-0

10.6 Request for Waiver of Annual Tenant Fee, Lot 450, Section 4 Flanagan (Meg Gore, Executive Assistant)

Staff recommends that the waiver be denied.

MOTION by VP Johnson and seconded by Director Fickes *“that the Board of Directors deny a waiver of the Annual Tenant Fee to Richard Flanagan for the property 4 Barrett Street for the year 2011 based on hardship.”*

Motion carried 7-0-0

10.7 Relocate LMVF&R Memorial Stone and Plaque (Meg Gore, Executive Assistant)

MOTION by Director Fickes and seconded by VP Johnson *“that the Board of Directors authorize the Lake Monticello Volunteer Fire Department and Rescue Squad to remove a memorial stone and plaque located by the Lake Monticello Marina.”*

Motion carried 7-0-0

10.8 Board Liaisons to Committees (Pres. Ellen)

Postponed until next meeting

10.9 Notebook Computers for Board Members (Sec. Palamountain)

MOTION by Sec. Palamountain and seconded by Director Bauserman *“that the Board of Directors approve the purchase of a notebook computer, not to exceed \$500.00 for the Board Secretary using existing funds from the office supplies budget or the General Manager discretionary funds.”*

Discussion that it was an unnecessary expense.

Motion failed 2-5-0 Pres. Ellen, VP Johnson, Treas. Altschull, Director Fickes and Director Swenson dissenting

10.10 New Technologies (VP Johnson)

MOTION by VP Johnson and seconded by Director Swenson *“that the Board of Directors approve the formation of an ad hoc committee to review and propose changes to benefit the Association in the areas of customer services, communications, administration of billing and collection of dues, fees, notices and other accounting functions with the assistance of the Finance and Audit Committees.”*

MOTION by Director Fickes and seconded by Director Swenson *“that the Board of Directors table the motion.”*

Motion carried 7-0-0

Sec. Palamountain and VP Johnson will work on items 10.10 and 10.11.

10.11 Technology Advisory Committee (Sec. Palamountain)

Postponed until next meeting

10.12 Dredging Program (Director Bauserman)

MOTION by Director Bauserman and seconded by VP Johnson *“that the Board of Directors solicit from Scott Cahill a single source consulting contract to help the Board of Directors develop a comprehensive watershed management program similar to the program described in the WEG report of 2004.”*

MOTION to amend by Pres Ellen seconded by Director Swenson *“to strike the words ‘from Scott Cahill a single source’ and insert the word ‘a’ before ‘consulting contract.’ ”*

Motion carried 7-0-0

Motion carried as amended 7-0-0

An informal process will be used. Director Bauserman will work with Linda Adams.

10.13 Committee Appointments

MOTION by Pres. Ellen and seconded by Director Swenson “that the Board of Directors appoint Craig DePiazzy to the Ad Hoc Committee for Deer Control by Lethal Means for a term beginning immediately.”

Motion carried 7-0-0

10.14 Major Repairs and Replacements Reserve Policy

MOTION by Treas. Altschull and seconded by Director Swenson “that the Board of Directors approve a reserve fund for major repair and capital replacements shall be established. The account shall be known as the Major Repairs & Replacement Reserve Account (MR&R Reserve Account).”

\$617,347 will be transferred into this account. Establishing a separate account can be done without Board approval.

Motion was withdrawn.

11. RECESS

Recess was held earlier in the meeting.

12. LMOA REPORTS

12.1 President’s Report (Pres. Ellen)

LMOA survived unscathed from the recent weather and earthquake.
School is open. Please be aware of school children and buses.
Staff will continue to monitor the hurricane. Call the clubhouse x300 for information.

12.2 Treasurer’s and ERA Report (Treas. Altschull)

Wells Coleman and Assoc., Gravity’s Edge, Dick Cummings and Cam White have worked on the finances have reviewed the accounts and completed a technology audit.

On September 6, 2011, a meeting with Mike Harrison, the Audit Committee, Finance Committee and Cliff Altschull will review the finances.

Pres. Ellen stated that there was never any concern of malfeasance or irregularity. The goal was better understanding, better communication, transparency and correct implementation of policy.

12.3 Dam Project Status Report (Scott Cahill, Watershed Services, Inc.)

Repairs made to Tufton Dam.
Repairs made to Main Dam to stop the dam from failing.
It was a very successful job in every way.

12.4 Finance Committee Report (Jim Mixter, Chair)

- Finance Committee is holding a series of briefings for new Board members.
- Work is starting on the budget for 2012.
- Finance Committee asked that Board resolutions that have budgetary impact be reviewed by the Finance Committee before going before the Board.
- ERA has fallen below the minimum balance of \$6.63 million (restricted principal).

12.5 Redistricting Update (Treas. Altschull)

No update

13. MEMBER COMMENTS #2 ANY LMOA TOPIC (5 minutes per member)

None

14. STATUS REPORTS

None

15. REMARKS FROM THE BOARD

Secretary Palamountain

Remember the victims of 9/11 on the 10th year anniversary.

Director Swenson

Check on your neighbors during times of emergency.

President Ellen

Thank you to the Maintenance and Security staffs.

16. BYLAW AND POLICY CHANGES - First Reading

None

17. ADJOURNMENT

Pres. Ellen adjourned the meeting at 10:30 PM.

by: _____
Valerie Palamountain, Secretary

To: Board of Directors

From: Gerald N. McCall
Ashlawn-1, Lot 325

Re: Member Comments

Date: August 25, 2011

Good Evening...President Ellen, Vice-President Johnson and Members of the Board of Directors. My name is Gerald McCall. My wife and I are co-owners of Lakefront Property in Ashland-1 on Lot 325.

On behalf of a concerned Residents Group of Lakefront Property Owners, I wish to present a second Petition in follow-up to the BOD Dredging Workshop last Tuesday for your further consideration: Presentation of Second Petition.

To continue on a personal note, I would like to express some explicit concerns in regard to the current LMOA maintenance dredging program. I have come to realize that the current dredging program is both inefficient and ineffective and is not addressing the major watershed management objectives for Lake Health Management outlined in the 2004 WEG Report.

The current LMOA maintenance dredging program is inefficient, thus not cost effective, in the removal of sediment from Lake Monticello. Based on purported yield and cost data for the past 2 ½ years, my calculations suggest that Homeowners are paying approximately \$57 per cubic yard for sediment removal from the lake. Such costs are exorbitant when compared to the \$20-24 per cubic yard that the City of Baltimore expects to pay private contractors for the removal of sediment from the Inner Harbor in advance of their celebration of the 200th Anniversary of the War of 1812 next year.

The current LMOA maintenance dredging program is ineffective in meeting the dredging needs of waterfront property owners as outlined in the 2007 Maintenance Dredging Program Plan drafted by Rich Barringer on behalf of the Lake Preservation Committee. Only a few minor coves in Section 3 have been dredged since the program's inception. Waterfront Homeowners on those coves were presumably charged \$47 per cubic yard for the removal of sediment from their respective waterfronts as compared to the \$20-24 per cubic yard that the City of Baltimore expects to pay for sediment removal from the Inner Harbor. It is uncertain if and when the vast majority of minor coves will ever be dredged as there is no wait list for the dredging of Homeowner waterfronts in the remaining Lakefront Sections.

The current LMOA maintenance dredging program is not addressing the major watershed management objectives outlined in the 2004 WEG Report. Rather than focusing on the main objective of watershed management, the maintenance dredging program is focusing on dredging which was a very minor component of the WEG Report. Basically, the current LMOA maintenance dredging program is addressing the symptom rather than the cause of the critical lake health issues at Lake Monticello.

It is because of these very real concerns about the current LMOA maintenance dredging program that I urge Members of the Board of Directors to approve the major components of Director Bauserman's Resolution Proposal to reorganize the entire watershed program and to hire a professional to manage and oversee the development, design and construction of watershed projects as deemed appropriate to restore and maintain lake health at Lake Monticello.

