

**LMOA BOARD OF DIRECTORS
Open Session Minutes**

DATE: Thursday, November 18, 2010

PLACE: Terrace Room, LMOA

DIRECTORS: **Present:**
Scott Meiss, President Benita Ellen, Vice President
Mike Harrison, Treasurer Don Fickes
Ray Gott Britt Johnson
Gary Dillon, Secretary arrived at 5:40

STAFF: John Korhonen
Peggy Alexander
Meg Gore
Linda Adams

1. CALLED TO ORDER

The meeting of the Lake Monticello Owner's Association was called to order in Open Session by Pres. Meiss at 5:34 PM on November 18, 2010.

MOTION by Dir. Gott and seconded by Dir. Harrison "that the Board of Directors go into Executive Session to discuss legal, contractual, and personnel issues."

Motion carried 6-0-0

2. RECONVENE IN OPEN SESSION

The meeting reconvened at 7:05 PM.

3. PLEDGE OF ALLEGIANCE

4. EXECUTIVE SESSION REPORT

Secy. Dillon reported that the Board of Directors met in Executive Session at 5:34 PM to discuss legal, contractual, and personnel matters. The Executive Session adjourned at 6:56 PM. No action was taken during the November 18, 2010 Executive Session.

5. MINUTES AND CONSENT AGENDA

MOTION by VP Ellen seconded by Director Fickes “that the Board of Directors approve the minutes of the Executive Session October 28, 2010 and the Open Session October 28, 2010.”

Motion carried 7-0-0

Pres. Meiss took a moment at this point in the agenda to read former LMOA Director of Solicitation and Contracts Review Marty DeCarlo obituary.

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

Wayne Schmidt 370/3 10.1 Dam Repairs Transparency

7. BYLAW AND POLICY CHANGES - Second Reading

None

8. PUBLIC HEARING ON THE EXCHANGE OF LAND WITH FLUVANNA COUNTY (Pres. Meiss)

The Public Hearing on the Exchange of Land with Fluvanna County was convened by Pres. Meiss at 7:14 PM.

8.1 Proposal Presentation (Chuck Johnson)

Mr. Johnson described the properties with their locations to be exchanged. He recommended that LMOA retain portions of the parcels for maintenance of the Main Dam and the spillway.

8.2 Member Comments (5 minutes per member)

Wayne Schmidt 370/3
Gene Ott 397/3
Steve Carney 385/2

8.3 Board Debate

There was no Board debate.

The Open Session reconvened at 7:33 PM.

9. **UNFINISHED BUSINESS**

9.1 Exchange of Land with Fluvanna County (Pres. Meiss)

MOTION by Director Gott seconded by Director Fickes “that the Board of Directors approve the exchange of land between LMOA and Fluvanna County as described in the November 18, 2010 Board Packet and proceed with the legal transfer of the properties.”

Motion carried 7-0-0

10. **NEW BUSINESS**

10.1 Waiver of PM 4.02K to Proceed With A Sole-Source Procurement of Services – Dam Repairs (Treas. Harrison)

MOTION by Treas. Harrison seconded by Director Gott “that the Board of Directors waive PM 4.02K, 3.2 for the purpose of developing a procurement and negotiating and awarding a sole-source procurement to Watershed Services, Inc. This waiver is limited to this specific procurement action and only waives the need for competitive selection of vendors. Staff will still use the balance of the procedures and bring to the Board a negotiated contract package for review and Board approval.”

Motion carried 7-0-0

10.2 Tufton Community Fishing Pier RFP (Linda Adams, Solicitations and Contracts Administrator)

MOTION by Director Fickes seconded by Director Gott “that the Board of Directors authorize Staff to issue an RFP with the intent to award a contract for the design and materials to begin construction on the Tufton Fishing Pier.”

Motion carried 7-0-0

10.3 Replacement of Marina Basin Docks (Cam White, Chair BR&G Committee)

MOTION by Treas. Harrison seconded by Director Gott “that the Board of Directors direct the Contract Administrator to develop a competitive RFP for the installation of a minimum of 48 and up to 70 slips to be installed turnkey in April 2011. LMOA shall request floating installation and estimates for clearing the Marina basin. The vendor shall provide their recommended configuration for the number of slips the vendor proposes for the size of the basin.”

Motion carried 7-0-0

The Board recessed from 8:10 PM to 8:20 PM.

10.4 Common Property Cost Center (Cam White, Chair BR&G Committee)

MOTION by Director Gott seconded by Director Johnson “that the Board of Directors approve the addition of a cost center to be called “Common Property Cost Center”. The Finance Committee and Staff shall determine the use of this cost center for budget and Internal Reporting purposes.”

MOTION by Treas. Harrison seconded by VP Ellen to amend the motion replacing the word “determine” with “recommend”.

Motion carried 7-0-0

Motion carried 7-0-0

10.5 Employee Holiday Bonus (GM Korhonen)

MOTION by VP Ellen seconded by Director Gott “that the Board of Directors approve a Holiday Cash Bonus in December 2010 of \$108.28 to full time employee and \$54.14 to part time employees from the General Manager Contingency Fund.”

Motion carried 7-0-0

10.6 Interactive On Line Technologies (Director Johnson)

Withdrawn. A work session will be scheduled with BOD and Staff to discuss.

10.7 Committee Appointments

MOTION by Director Gott seconded by VP Ellen “that the Board of Directors
to the Compliance Committee
reappoint Permanent Members Scott Marshall, Gary Rice and Kim Schwarz for terms beginning January 1, 2011 and ending December 31, 2011 and
reappoint Alternant Members Bill Anderson, Jean Burns, Al Colville, Leighton Cumming, Kirt Doersch, Chuck Johnson, Wayne Schmidt, William Smith, Bob Strassheim and Donald Wilberger for terms beginning January 1, 2011 and ending December 31, 2011
to the Investment Committee
reappoint Frank McCraw for a term beginning January 1, 2011 and ending December 31, 2013
to the Solicitation and Contract Review Committee
reappoint Brent Bohne for a term beginning January 1, 2011 and ending December 31, 2013
to the Broadcast Committee
reappoint Robert VanDeventer for a term beginning January 1, 2011 and ending December 31, 2013
to the Environmental Control Committee
appoint Thomas Sullivan as a Permanent Member for a term beginning January 1, 2011 and ending December 31, 2013 and as Alternate Members reappoint Gerald Guske, Bob Gordon and Bob Sorenson for terms beginning January 1, 2011 and ending December 31, 2011
to the Golf Committee
appoint Peggy Smith, Jack Hartwell and Barbara Senig for terms beginning January 1, 2011 and ending December 31, 2013
and to the Audit Committee
reappoint Bud Mauldin for a term beginning January 1, 2011 and ending December 31, 2013.”

Motion carried 7-0-0

11. LMOA REPORTS

11.1 President's Report (Pres. Meiss)

- Budget process continues
- Committee vacancies
- Triathlon

11.2 Treasurer's and ERA Report (Treas. Harrison)

As of October 31, 2010, income is \$4,735,630 and expenses are \$3,913,407 resulting in a net income of \$822,223. The gains in the LMOA investment accounts from September are \$115,010. The realized ERA Current Principal remains \$6,679,142.

Administration, Maintenance and Security departments are close to budget. Golf (\$171,401) and the Pool (\$25,056) are operating at a loss and the Marina (\$59,394) and Tennis (\$29) are operating at a profit.

Treas. Harrison presented an end of year projection by adding the withdrawal of ERA D&I of \$290,000 to the YTD net income resulting in an estimated net income plus interest of \$1,112,223. The estimated expense of operations, waste and recycle, Marina Docks and initial expenditures on the dam total \$870,000. The net expected excess income is \$242,223.

The reported estimate of funding the repairs of the dams was \$600,000 but did not include repair expenses for seepage at the toe of the main dam. The revised total is \$856,500. Treas. Harrison offered five funding options:

1. Funding within the 2010 and 2011 budgets
2. Withdrawing \$700,000 from the ERA Principal requiring member approval plus other funding sources
3. Borrowing \$700,000 from the ERA Principal requiring member approval plus other funding sources
4. Levying a \$750,000 special assessment requiring member approval plus other funding sources
5. Levying a \$300,000 special assessment requiring member approval plus other funding sources

All funding options include \$50,000 Acres Pond escrow.

11.3 General Manager's Report (GM Korhonen)

- Pool liner repairs
- Dredger gearbox replacement
- Tabletop exercise postponed

11.4 ~~Ad Hoc Committee for Deer Contraception (Director Fickes)~~

11.5 Ad Hoc Committee for Deer Herd Control (Treas. Harrison)

- Looking at sharpshooter and bow hunting activities
- Identifying "hunnable" areas of LMOA property (not homeowners)
- Identifying liability issues
- Next meeting will be in December

12. OTHER REPORTS

12.1 Fluvanna County Board of Supervisors Report – None

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

David Boardman 508/3 Marina

14. STATUS REPORTS

None

15. REMARKS FROM THE BOARD

Director Johnson

- management of LMOA assets
- review of LMOA land usage

VP Ellen

- announcements from 11/19 Friday Flyer

Treas. Harrison

- Gunnell property information

Director Fickes

- dam repairs
- Bo's Pier Group
- No report from Deer Contraception committee. Group not able to get their report together in time.

Director Gott

- #3, #7, #10 greens are open, other greens (#5, #6) are progressing

16. BYLAW AND POLICY CHANGES – FIRST READING

None

17. ADJOURNMENT

Pres. Meiss adjourned the meeting at 9:38 PM.

by:

Gary Dillon, Secretary