

**LMOA BOARD OF DIRECTORS  
Open Session Minutes**

**DATE:** Thursday, February 24, 2011

**PLACE:** Terrace Room, LMOA

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

**STAFF:**             John Korhonen  
                          Peggy Alexander  
                          Meg Gore  
                          Linda Adams  
                          Tom Boisvert

**1.       CALLED TO ORDER**

The meeting of the Lake Monticello Owner's Association was called to order in Open Session by Pres. Meiss at 6:00 PM on February 24, 2011.

**MOTION by Director Gott and seconded by Treas. Harrison "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 7:10 PM.

**3.       PLEDGE OF ALLEGIANCE**

**4.       EXECUTIVE SESSION REPORT**

Secy. Dillon reported that the Board of Directors met in Executive Session at 6:00 PM to discuss legal, contractual, and personnel matters. The Executive Session adjourned at 7:02 PM. The Board voted in Open Session to confirm the following action taken in Executive Session:

On a proposal that LMOA increase security of the LMOA operating account, the motion carried 7-0-0.



- 9.3 **Amend PM 4.02Q LMOA Investment Policy to allow transactions in certain derivatives including sale of covered calls (Chuck Johnson, Chair, Investment Committee)**

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors amend PM 402Q as presented in the February 24, 2011 Board packet and as amended by the Board at the meeting.”**

Motion carried 7-0-0

- 9.4 **Amend PM 16.00 Committees: Overall Committee Charter to allow a member to chair only one committee at a time (Pres. Meiss)**

**MOTION by Director Gott and seconded by Treas. Harrison “that the Board of Directors amend PM 16.00 Committees: Overall Committee Charter and 16.10 Investment Committee Charter to allow a member to chair only one committee at a time as presented in the February 24, 2011 Board packet.”**

Motion failed 2-5-0 Pres. Meiss and Treas. Harrison assenting

- 9.5 **Amend PM 16.04 Finance Committee Charter to disallow Finance Committee members to chair other committees (Pres. Meiss)**

**MOTION by Treas. Harrison and seconded by Director Johnson “that the Board of Directors amend PM 16.04 Finance Committee Charter to disallow Finance Committee members to chair other committees as presented in the February 24, 2011 Board packet.”**

Motion failed 2-5-0 Pres. Meiss and Treas. Harrison assenting

**Board recessed from 8:40 PM to 8:50 PM.**

10. **NEW BUSINESS**

- 10.1 **Clubhouse Kitchen Floor Asbestos Abatement and Floor Replacement Purchase Orders (Linda Adams, Solicitations and Contracts Administrator)**

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors authorize the General Manager to issue a Purchase Order for the Firm Fixed Price of \$6,375.00 to Special Renovations, Inc. for Asbestos Abatement in the Ashlawn Grille Kitchen.”**

Motion carried 7-0-0

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors authorize the General Manager to issue a Purchase Order for the Firm Fixed Price of \$10,800.00 to Epoxy Systems, L.L.C. for new flooring installation in the Ashlawn Grille kitchen.”**

Motion carried 7-0-0

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors authorize the General Manager to issue a Purchase Order for the Firm Fixed Price of \$300.00 to ACRH Services for HVAC shutdown in kitchen area during abatement process.”**

Motion carried 7-0-0

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors authorize the General Manager to issue a Purchase Order for the Firm Fixed Price of \$375.00 to Viro Technologies to perform third party monitoring once asbestos abatement is completed and prior to floor installation.”**

Motion carried 7-0-0

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors authorize the President and General Manager to issue purchase orders not to exceed in the aggregate \$11,000 to extend asbestos removal if required and new floor installation in the area behind the bar.”**

Motion carried 7-0-0

**10.2 Tufton Dam Recertification Contract (Linda Adams, Solicitations and Contracts Administrator)**

**MOTION by Treas. Harrison and seconded by Director Fickes “that the Board of Directors authorize the President and the General Manager to enter into a firm fixed price contract of \$13,600.00 with Williamsburg Environmental Group, Inc. for engineering services to perform a Breach Analysis & Inundation Study required for Tufton Pond Dam recertification to be funded by the MR&R Account”**

Motion carried 7-0-0

**10.3 Community Fishing Pier Purchase Order (Linda Adams, Solicitations and Contracts Administrator)**

**MOTION by Treas. Harrison and seconded by Director Fickes “that the Board of Directors authorize the President and General Manager to sign a Purchase Order to Follansbee Docks for the firm fixed price amount of \$26,955.08 for the design and materials for the Tufton Fishing Pier.”**

Motion carried 7-0-0

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors authorize the General Manager to enter into a purchase order for \$9800.00 with Watershed Services for the 7<sup>th</sup> fairway pond and to determine the cost to clean out this pond of sediment prior to filling. Funding shall be from Lake Health as this pond is a BMP unit for the lake”.**

Motion carried 7-0-0

**10.4 Waiver of Tenant Fee Doersch 394/12 (GM Korhonen)**

**MOTION by Treas. Harrison and seconded by Director Gott “that the Board of Directors grant a waiver of the Annual Tenant Fee for 3 Briarwood Rd. Lot 394 Section 12 as the owners Mr. and Mrs. Kirt Doersch are in fact multiple lot owners of Lot 394 Section 12 and Lot 181 Section 4. The waiver will be in effect until ownership changes for 3 Briarwood Rd. Lot 394 Section 12 or 5 Lock’s Ct. Lot 181 Section 4.”**

Motion carried 7-0-0

**10.5 Waiver of Tenant Fee Babin 113/12 (GM Korhonen)**

**MOTION by Treas. Harrison and seconded by Director Fickes “that the Board of Directors grant a waiver of the Annual Tenant Fee to Major Babin for the property 38 Morewood Place for the year 2011 based on the conditions that he is on active military duty and is stationed out of state.”**

Motion carried 7-0-0

**10.6 Waiver of Tenant Fee Cardenas 317/9 (GM Korhonen)**

**MOTION by Treas. Harrison and seconded by VP Ellen “that the Board of Directors grant a waiver of the Annual Tenant Fee to Frederick and Lisa Cardenas for the property 268 Jefferson Drive Lot 317 Section 9 for the year 2011.”**

VP Ellen called the question.

Motion carried 7-0-0

**10.7 Resolution for Envoy of at the Village, Fork Union, LLC (Pres. Meiss)**

**MOTION by VP Ellen and seconded by Secy. Dillon “that the Board of Directors adopt the Resolution as presented in the February 24, 2011 Board Packet.”**

Motion carried 7-0-0

**10.8 Approval of Charge to and appointment of members to the Ad Hoc Committee for Donations to LMOA (Director Ray Gott)**

**MOTION by Treas. Harrison and seconded by Director Johnson “that the Board of Directors Board of Directors appoint Bill Scanlon as chair of the Ad Hoc Committee for Donations to LMOA and appoint Cliff Altschull, Ted Makranczy, Wayne Schmidt and John Korhonen members of the Ad Hoc Committee for Donations to LMOA. Director Ray Gott shall serve as the non-voting Board Liaison.”**

Motion withdrawn

**MOTION by Treas. Harrison and seconded by VP Ellen “that the Board of Directors Board of Directors approve the charge for the Ad Hoc Committee for Donations to LMOA as presented in the February 24, 2011 Board packet.”**

Motion carried 7-0-0

**MOTION by Treas. Harrison and seconded by VP Ellen “that the Board of Directors Board of Directors appoint Bill Scanlon as chair of the Ad Hoc Committee for Donations to LMOA and appoint Cliff Altschull, Ted Makranczy, Wayne Schmidt and John Korhonen members of the Ad Hoc Committee for Donations to LMOA. Director Ray Gott shall serve as the non-voting Board Liaison.”**

Motion carried 7-0-0

## **10.9 Committee Appointments**

None

## **11. LMOA REPORTS**

### **11.1 President’s Report (Pres. Meiss)**

LMOA is about to embark on one of its most costly projects since development of the community first got underway more than 40 years ago. We are faced with the need for major repairs to the Main and Tufton Lake dams that must be performed in order secure recertification, which is required by State law.

The repairs to the dams will not be visible to you and me. They will be made underwater, inside and around the structures associated with retention of the water and emergency outflow.

To help the community better understand the nature of the work, how it will be performed and the anticipated outcome, we will hold a community meeting on March 31. Our guest will be Scott Cahill, owner of Watershed Services, the contractor that will be making the repairs. He will show video and photographs and talk about what needs to be repaired, the process he and his crew will go through to accomplish the work and his previous experiences at Lake Monticello and at other lakes.

All members are invited to attend the community meeting and to bring their questions for Scott. The meeting will be held at 7PM on Thursday, March 31, in the Terrace Room, which is on the lower level of the Clubhouse.

The LMOA Broadcast Group will broadcast the meeting live on cable channel 10 and replay it the following week at 9AM and 7PM daily.

During the 2011 budget process the Finance committee identified funds that could be used to pay for the repairs. The Board developed an alternative solution that would utilize up to \$700,000 of the restricted Emergency Reserve account. Because use of the ERA is restricted, a special meeting of members is being held to determine whether or not the Board will be authorized to use a portion of the restricted ERA. The Notice of Special Meeting of LMOA Members will be mailed next week. Members may begin to vote by proxy as soon as they receive the Notice. Deadline for proxies to be returned is 5PM on Friday, March 25. You can also vote the day of the special meeting, April 2, 2011.

Board members are split in their views of whether or not to utilize the ERA funds or utilize the funds identified by the Finance Committee.

Regardless of the outcome of the member vote, the work must be and will be done, with funding from various unrestricted LMOA accounts.

The second issue I would like to speak to tonight is School bus stop safety. Recently, it has been observed by Board members, Police officers and residents that parents are becoming less vigilant toward keeping the streets safe and free of vehicles around bus stops. Parents and guardians, I would ask you to increase your awareness of your surroundings, keep vehicles out of intersections and help your kids stay safe.

Third, petition packets are available to pick up if you are interested in running for the Board of Directors. We have had several individuals pick up packets for the election but there is still time for others who are interested in running. If you are interested in serving the community on the Board, you can contact Peggy Alexander to arrange to pick up a packet. The deadline for submitting a completed packet is March 28.

In an effort to enhance the relationship between LMOA and Fluvanna County, the Board of Directors will conduct a work session with Supervisors who represent members of LMOA. This session will be Monday, March 7, 2011.

Last but not least, I would like to express condolences to the family of Lou Colville. Earlier this week we received word that Lou had passed away. Through the years Lou served Lake Monticello in a number of ways, most recently as a member of the Election Committee. On behalf of the Board and staff, I extend sympathy and condolences to her husband Al, their children, and all of her family.

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

### Closeout of 2010

- Still paying the 2010 billings for services
- Expect to close out 2010 by March and get the annual independent audit underway
- The Treasurer's report will return to its regular format in March, reporting on February's results

### Kickoff of 2011

- Dam contract awarded and status of work and spending to be reported by the General Manager at each monthly meeting
- Work on reserves being developed and contracts need to be awarded for over \$651,000 in repairs and replacement of capital assets
  - Marina docks
  - Golf Greens (2)
  - Resurfacing of Tufton Tennis Courts
  - Club deck railings
  - Ashlawn Grille kitchen flooring
  - Vehicle and equipment replacements
- January was the dam repair contract approval and we have several actions tonight

### Tracking Reserve Expenditures (Dams Reported Separately)

- Mix of in-house and contract activities
- How well are we doing throughout the year?
- Presented a graphic format for tracking

### Lake Health

- \$49.44 of your dues goes to maintaining our greatest asset - \$231,354 is available for sustaining the lake
  - Dredging costs \$148,300
  - Storm water work, including drainage improvements total \$63,764
  - Lake education and promotion of clean water is \$6,350
- There is no funding for additional Best Management Practice (BMP) containments

2011 New Initiatives

- Self-help build-out of Operations Building lower level to support police operations \$12,500
- Greens drying fans to help in the recovery of greens 5 and 6 \$7,734

Investments Summary as of 1/31/11

| <b>Account</b>  | <b>December 2010</b> | <b>January 2011</b> |
|-----------------|----------------------|---------------------|
| ERA Principal   | \$7,487,700          | \$7,500,836         |
| ERA Div and Int | \$501,488            | \$133,490           |
| Road Reserve    | \$288,142            | \$382,010           |
| Lake Reserve    | \$53,548             | \$53,848            |
| STORFA          | \$538,079            | \$839,693           |

Reflects transfers out of ERA D&I of \$390,000 and transfers in for Roads

**11.3 General Manager's and Dam Project Status Report (GM Korhonen)**

GM Korhonen presented status reports for repairs to LMOA dams:

Acres Dam

Contracts have been awarded to  
Digs for repairs at a cost of \$49,656  
Watershed Services for consulting at a cost of \$4,500.  
No invoices have been paid.  
Showed photos from the start of work to the pouring of the riser.

Tufton Dam

A contract has been awarded to  
Watershed Services for repairs at a cost of \$131,500.  
No invoices have been paid.

Main Dam

Contracts have been awarded to  
Watershed Services for Main Dam repairs at a cost of \$311,600.  
Watershed Services for repairs to the Main Dam low level drain at a cost of \$250,000.  
No invoices have been paid.

GM Korhonen discussed other LMOA projects:

Beach 4

Installation of stairs is ongoing, performed by Maintenance Department.  
Showed photos of installation of stairs.

7th Fairway Dam

Showed photos of the current condition of the dam.  
Discussed the importance of repairing the dam as soon as possible.

Land Exchange with Fluvanna County

Explained that the County requires an easement on the riverside Aqua Virginia parcel on the northeast side of Rt. 600 where it meets the Rivanna River.  
Showed plat of the parcel and adjacent lots and a photo of the current path through the Aqua Virginia property.

Operations Building Lower Level Renovations

Discussed status of renovations to the lower level of the Ops Building.  
Showed photo of the work in progress.

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

Ted Makranczy            9/12            Community Fishing Pier

**13. STATUS REPORTS**

None

**14. REMARKS FROM THE BOARD**

Director Johnson discussed epoxy flooring. He will communicate with Board via email. He also discussed reserve items

Secy. Dillon read a portion of Lou Colville's obituary, noting her many years of dedication to the community.

VP Ellen reminded members about school bus stop safety.

Treas. Harrison commended an LMOA employee that he observed going above and beyond their duties. He recognized the good spirit of LMOA.

Director Fickes provided a deer contraception update.

Director Gott reported that the Golf Course greens are open and looking good.

**15. BYLAW AND POLICY CHANGES - First Reading**

**15.1 Amend PM 14.02 General Rules and Regulations to Allow Canvassing for Signatures for Fluvanna County Elected Offices (Secy. Dillon)**

**16. ADJOURNMENT**

Pres. Meiss adjourned the meeting at 10:08 PM.

by: \_\_\_\_\_  
Gary Dillon, Secretary