

Lake Linganore Association, Inc.
June 18, 2007
Board of Directors Meeting Minutes

CALL TO ORDER

The meeting was called to order at 7 p.m. at the LLA Coldstream Drive office.

Board members present were: John Allemang, Robert Charles, Jim DiMeglio, Brandon Frazier, Stephen Hembree.

Staff in attendance: GM Edwards; CRM Gurley.

APPROVAL of June 4, 2007 BoD MINUTES

Minutes of the June 4, 2007 regular board meeting were approved with some typographical corrections made.

DEVELOPER'S REPORT

Director DiMeglio notified the board and residents that on Thursday, June 21 at Oakdale Middle School the county was holding a meeting on the New Market Regional Plan Revisited. The board asked that an email notice be sent to resident about the meeting encouraging them to attend. He said that the developer was continuing all the things that were reported at the last meeting.

CDA UPDATE

Lake Linganore Conservation Society (LLCS) president Larry Dusold reported that a notice to proceed was given for the CDA construction in Coldstream. He said that there was a meeting scheduled this week with American Infrastructure, the contractor for the county's water and sewer project and the Linganore CDA. He added that a meeting with the verifier was to be held the following week.

Mr. Dusold explained that the engineer is to verify the quality control and that the verifier would report that information to the bond holders. After that the LLCS reviews the information then it all goes to the county to sign off on it. The information then goes to the trustee, followed by the Maryland Department of the Environment (MDE). He said that he hoped things would move quickly. Director Frazier noted that what Mr. Dusold was describing was the process as to how the contractor will be paid on the CDA project.

Mr. Dusold reminded everyone that nothing on the CDA would begin until the county's water and sewer project was completed.

Mr. Dusold also noted that the MDE loan would not come through until either the county loan or the loan agreement with the LLA was completed. He said that the only fixed aspect of the financing was the assessments and that those increase two percent per year. The only way for the CDA to get more money was to get lower interest rates. He added that the current big discussion was with the county on whether the money would come from them or from the LLA. Once that matter was decided, the goal was to issue the notice to proceed for Meadows and Balmoral.

A meeting was to be held on Thursday, June 21, between LLA representatives, American Infrastructure and Whitman Requardt to discuss the work schedule and the timing of the invoices. He also noted that a complete scope of work schedule was to be developed.

Resident Sue Corbin asked about the bonds for the CDA. Director Frazier gave her a copy of the financing worksheet that he presented at the June 4 meeting. She asked about the dust problem created from the roads as a result of the county's water and sewer project in Coldstream, as well as accidents. Director Frazier said that GM Edwards was working with county staff to get better controls in place. GM Edwards said that the county has asked the contractors for costs to pay for those controls.

Mrs. Corbin also asked about the county's deadline for the notice to proceed. Director Frazier explained that the county letter regarding that matter was in response to a letter he had sent to the Frederick Board of County Commissioners regarding a 2002 easement agreement with the LLA in which the county agreed to provide approximately \$1 million for patching roads and for which he based his request for the county to provide the zero percent interest loan that it had agreed to in October 2006. Mrs. Corbin asked about the county's claim that the LLA had delayed its water and sewer project and cost the county \$5 million. Director Frazier said that increased cost in the county's project was due to the increase in the scope of the project and not because the LLA delayed the project. He said that he had requested a public hearing on the easement issue but the county declined to hold a hearing. Mr. Frazier said that the LLA attorney Shelah Lynn had also commented on the easement matter.

COMMITTEE REPORTS

ECC— GM Edwards said that the uncompleted house on Woodcliff was coming along.

Communications Committee— CRM Gurley said that because of the increasing number of advertisements that she was going to look into the cost associated with increasing the number of pages for LakeTalk.

Events Committee— CRM Gurley reported that the 70s Pool Party was a success. She said that the July 28 event was to feature a live band. The summer season was to end with the August 25 Endless Summer Hop.

Finance Committee—Director Charles said that an error on page 6 of the monthly report was to be corrected. Director Frazier asked the GM whether security costs were over budget. GM Edwards said the salary on the new arrangement would to payroll burden and only that category in the budget would increase. He said the worksheet he was doing would outline the costs at this time and noted a \$13,000 security gain. He said \$10,000 would roll over into the category for overtime deputies.

GM Edwards said that the LLA was changing banks and was placing all of its reserves funds into an account with the First National Bank of Arizona, which had worked with the LLA to create a line of credit to be used for the CDA. He said the LLA would open an account with F&M to keep some cash deposits local and to have a local bank for when the LLA needs to establish letters of credit from time to time during projects.

GM Edwards also told the board that office manager Daisy Osterhout had informed him that she would be retiring in March 2008. He said that in preparation for that change he was instituting new accounting software to transfer all membership and financial data. He noted that the new software, which was being obtained the Arizona bank, would be free of charge and allow many membership processes, including covenant compliance, to become paperless.

Friends of the Lake— while there was no regular committee report, GM Edwards told the board that he had initiated a goose remediation program for Lake Langanore. He said taking such action was now legal because of the overwhelming increase in the bird's population. He said the remediation program was essentially a hazing to irritate the geese enough to cause them to leave the area. The program would continue next spring to take the young birds so that they do not return to Eaglehead to nest as adults.

Trailblazers— co-chairperson Katrinka Westendorf reported that the committee held its regular work session and focused on the Lake Merle trail and a trail in Balmoral, removing vegetation and tree limbs. She noted that trail closures were reported in the monthly LakeTalk column.

VILLAGE REPORTS

Meadows— village chairperson Jerry Dorsey said a resident requested that a boat rack be built near the Indian Cave area. He also asked the board to revisit the walkway that was created in Meadows to allow pedestrians to get to the mailbox area. He asked that a bridge be built over the nearby stream so that pedestrians could access the mailboxes. GM Edwards said that there were some problems with doing that. He added that the real solution to the problem was to move the mailboxes but that the matter would be reviewed again. The GM also said that Boy Scout Troop 268 would be mulching the playground at McFadden Park.

Pinehurst Village— no report was given by the village committee but Director Charles, a resident of the village, said that people were not happy with the stop signs on Twin Lakes Drive. The GM said that some people had contacted the office but that he had asked the sheriff's office to enforce speed limits in the area.

OLD BUSINESS

Punch List for Woodridge Improvements— In the previous discussion about this matter the question was raised as to whether the developer was obligated to provide a warranty on the punch list items. Director Hembree said that it was Maryland law. It was noted that in fact this is Maryland law and will be part of the turn-over process. GM Edwards said that he had met with Land Stewards regarding the swales that had not yet grown in. He said they would work out a phased warranty. Director Frazier asked what the opinion was of Land Stewards on this matter. Director DiMeglio said that Land Stewards had met with LLA staff and wanted to get the matter cleared and done. GM Edwards said that LLA attorney Shelah Lynn was working on documents related to this matter and the CDA.

NEW BUSINESS

Annual Meeting Results/LLA Officers— CRM Gurley reported that election results following the second called annual meeting on June 16 were as follows: John Allemang and Jim DiMeglio were elected as directors. In the voting, 143 proxies and 383 ballots resulted in 526 total votes for the election.

MOTION: Director DiMeglio made a motion to nominate the following as executive officers of the 2007-08 board of directors: Brandon Frazier, president; Robert Charles, vice president; Stephen Hembree, treasurer; John Allemang, secretary. Director Hembree seconded the motion. **VOTE:** five of the directors voted in favor of the motion; none of the directors voted against the motion.

The board then discussed whether to keep the board of directors at five members or to appoint two more members to the board to keep the number at seven. It was decided to announce in LakeTalk that appointments would be sought. The board also decided to cancel the regular July meeting until a special meeting notice could be published to discuss the appointment candidates.

Governing Documents Violations— Re: Lot #150056. Violations for this lot were unkempt yard and house and shed construction without ECC approval. The fine was \$350.

MOTION: Director Hembree made a motion to levy the fine on the lot owner. Director Charles seconded the motion. **VOTE:** five of the directors voted in favor of the motion; none of the directors voted against the motion.

GM Edwards assured the directors that compliance administrator Michele Kennedy went above and beyond the call of duty to work with residents to get these issues resolved before violations are sent to the board.

MATTERS FOR BOARD INFORMATION

Esplanade Update— GM Edwards reported that he was working on a resolution that would allow some traffic on the esplanade by mid-July. He said it would allow foot and bicycle traffic only, no golf carts. Director Frazier asked if the county was to inspect the suggested repairs. GM Edwards said no. He added that the temporary fix would be incorporated into the permanent solution. The GM told the board that American Infrastructure (AI), the contractor doing the water and sewer/CDA projects, would be doing the work on the esplanade, which would bring cost savings. He said AI would do the core samples on the structure. In addition, GM Edwards said that a major safety concern arose in a discussion about the holes along the top of the sides of the structure. He said now that the structure has been shut down due to safety concerns, to reopen it without a railing could be a liability concern. GM Edwards said installing wooden posts with rope railings would be preferred because it could discourage divers from using this type of railing to dive off the structure. He said legal counsel recommended that the board not ignore the fact that something needs to be in place. He added that tripping hazards along the walkway would be addressed.

GM Edwards said that the aging of the structure was what caused the damage. Director Hembree said that new safety standards for this structure do not exist because it was one of a kind. GM Edwards said that he wanted to develop a 10-year maintenance plan for the structure.

Resident Larry Dusold said that the original developers, the Brosius', did not intend to have a railing on the esplanade and that if one were to be installed it should be done by an architect in order to maintain a pleasing appearance about the structure. Resident Bill Russell expressed his concern about the golf cart restriction.

GM Edwards said that \$60,000 would be needed for materials and installation of the railing and another \$15,000 for the temporary repairs. He said he would like to move forward on the repairs in order to get it open to residents. **MOTION:** Director Frazier made a motion to allow up to \$20,000 to get the structure reopened. Director Charles seconded the motion. **VOTE:** five of the directors voted in favor of the motion; none of the directors voted against the motion.

RESIDENT FORUM

- Sue Corbin said that in the past the county has fixed sewer leaks in the esplanade and wanted to know if the county would help with the needed repairs. She was told that county support for the project had been examined.
- Director Hembree asked about whether the LLA had given the Dept. of Natural Resources permission to be on the lakes doing enforcement. He said the practice has been to not allow DNR access to the lakes. GM Edwards said DNR has been working with the LLA on other issues related to hunting and on lake management and that he wanted to cooperate so that a working relationship with the agency could bring other benefits to the natural resources of the community. The board asked that information be printed in LakeTalk about what is required by residents to meet state regulations.
- Director Hembree asked whether a board member could serve as a village chairperson. He was told that was not accepted practice.

ADJOURNMENT

Director Charles made a motion to adjourn the meeting. Director Hembree seconded the motion. The meeting was adjourned at 9:07 p.m.

Respectfully Submitted,

Clay Edwards
LLA General Manager

John Allemang
LLA Secretary