

Lake Linganore Association, Inc.
December 3, 2007
Board of Directors Meeting Minutes

CALL TO ORDER

The meeting was called to order at 7:02 p.m. at the LLA Coldstream Drive Office.

Board Members present: John Allemang, Robert Charles, Jim DiMeglio, Brandon Frazier, Stephen Hembree, Brian Jacobs.

Staff in Attendance: GM Edwards

APPROVAL of November 5, 2007 BoD MINUTES

The minutes of the November 5, 2007 regular board meeting were reviewed and approved with no amendments.

DEVELOPER'S REPORT

Director DiMeglio reported that Aspen II (new Phase 2), Aspen III, Aspen IV and Woodridge IV have been submitted to the County for review.

Land Stewards (LS) hopes to submit a preliminary DRRA proposal to the County soon - it may have gone in today (3 Dec 07). A graphic of the DRRA land designations that will be proposed by Land Stewards (LS) was presented. Discussion on how to preserve the Isles of Balmoral de-watering site for future lake dredging spoils ensued. Director DiMeglio suggested the LLA BoD, LS, and the County Commissioners have a joint meeting so all the necessary details of the DRRA can be worked out before it is finalized. Director DiMeglio will try to arrange this meeting at a time mutually agreeable to all parties.

Director DiMeglio emphasized that adoption of a DRRA does not eliminate the need for LS to meet APFO requirements, but it would keep the PUD zoning intact and designate specific land uses and preservations as mutually agreed upon by the County and LS.

CDA / LLCS UPDATE

Things are “peachy”, but we are still waiting for Allegheny Power (AP) to complete the upgrade of electrical lines in Coldstream.

GM Edwards remarked that the delay caused by the electrical line problems could mean the base paving of roads in Coldstream would not be completed before winter. He is working on an interim fix for the roads to get them through the winter should that be necessary.

The Pinehurst water/sewer/CDA and Nightingale water/sewer constructions should go out for bidding in January 2008. It was noted that the LLA needs to be financially prepared for a possible shortage of available funds when these bids come back.

AP is saying that the electrical lines in Balmoral/Meadows do not need to be tested. Based on the problems found in Coldstream, the BoD feels it is likely that problems do exist in these Villages.

MOTION: Director Charles made a motion that the LLA draft a letter (using input from legal counsel) to AP requesting that electrical line and power supply testing be performed for the Villages of Balmoral and Meadows prior to any CDA construction. Also, that a separate similar letter be drafted for Pinehurst but held and sent to AP at the appropriate time prior to any CDA construction in that Village. Director Hembree seconded the motion. **VOTE:** Six of the directors voted in favor of the motion, none of the directors voted against the motion.

NEW BUSINESS

2008 LLA BoD Meeting Schedule – The schedule was presented as an attachment to the BoD meeting package and discussed. It was noted that the November 17, 2008 meeting is really not necessary and would likely be canceled just as the corresponding meeting was this year.

MOTION: Director Hembree made a motion that the 17 November BoD meeting be deleted from the schedule and that the rest of the 2008 LLA BoD Meeting Schedule be adopted as presented. Director Charles seconded the motion. **VOTE:** Six of the directors voted in favor of the motion, none of the directors voted against the motion.

Draft FY '09 Budget for LLA - GM Edwards presented a preliminary budget using an assessment rate of 33-cents per hundred (same as last year) but separating out the trash costs and crediting single family homes with \$190.20 each. This reduces the percentage increase in dues year-over-year and is more equitable than just increasing the assessment for all households, which tends to hit Nightingale and North Shore houses quite hard every time the assessment is raised.

Considerable discussion ensued over the "built-in" increase in dues driven by the increase in home value assessments that has occurred over the past year. Adjusting the assessment rate downward would keep actual dues roughly the same as last year, while keeping the assessment rate at 33- cents per hundred would increase the dues per household and thus allow more money to be put into reserves. GM Edwards commented that the results of the new reserves study will not be available until late January 2008 and that the dues letters will need to go out before that. Thus, the BoD will need to decide on the assessment rate without the benefit of knowing the results of the study. The GM further commented that he expects the new reserves study to show that even more money will be required to achieve future safe levels of reserves than was indicated by the last study.

GM Edwards also recommended the BoD consider including repair and maintenance of Westwinds and Summerfield sidewalks in future reserves planning. The roads of both villages are maintained by the county, not LLA but having the LLA maintain those sidewalks would provide uniformity of quality, appearance and materials, as well as provide the villages with some benefit from their dues that compensates for the LLA not having to spend any of their dues assessments on their roads. After some discussion a consensus was reached to defer this issue but consider it when the results of the new reserves study are in hand.

Additional discussion ensued over the legality of separating out the trash assessment from the regular dues assessment. A further concern was voiced that there will likely be a significant increase in trash collection costs next year. In that case, setting a precedent this year by breaking out the trash costs could result in a potential dues shortfall in future years that would then have to be compensated for by an assessment rate increase.

Director Frazier commented he felt very strongly that the LLA had raised dues significantly over the past several years and the amount we were putting into reserves with the current dues level was sufficient. The GM commented that although our delinquency rate for unpaid dues is very low right now, raising the dues could cause that to go up. Several directors commented that they were concerned that we were not building up the reserves as fast as was prudent considering the potential for expensive repairs and projects in the future. Director Allemang commented that paying approximately \$110 a month in dues for the number and quality of amenities offered by the LLA is a bargain compared with many other HoAs.

MOTION: Director Hembree made a motion that the BoD direct the GM to prepare a budget using 33-cents per hundred as the assessment rate and keeping trash included in the overall assessment as we have done in the past. Director Charles seconded the motion. Director Frazier stated again that he felt we did not need to raise dues at this time to increase reserve deposits. There being no further discussion, a vote was taken. **VOTE:** five directors voted in favor of the motion; one director (Frazier) voted against the motion.

Review of Phases of Development by Land Stewards – Director DiMeglio gave a brief overview of phases in LS development plans. He will provide additional information and schematics with plats of the various parcels currently in the development pipeline to any directors who desire them. Several directors indicated they would like to have this material.

Effect of DRRA on LLA Land – Director Jacobs presented his concerns that designation of land donated to LLA by LS as “conservation” might preclude LLA from using it for community amenities like beaches, marinas, and parks. Director DiMeglio agreed that the wording of the DRRA must be carefully crafted to ensure it does not hamper future projects by the LLA or restrict lake access by its members. Director Charles emphasized that preservation of the Isles of Balmoral de-watering site for dredging spoils is critically important. The LLA must also ensure that County “Parks” included in the DRRA do not allow access to LLA amenities like the lakes and trails. Ironing out these issues will be a primary focus of the joint meeting between the LLA BoD, LS, and the County Commissioners. Director DiMeglio stated he would try to get this meeting set up for 17 December 2007 if all parties are available. Director Jacobs will work on a letter outlining our concerns.

Deer Population Control – Mrs. Eña Bromley, the resident who expressed concern over this issue could not attend the meeting tonight. It was mentioned that studies have shown birth control to be ineffective and for most deer population problems controlled hunting is the most effective method. Further discussion on this issue was tabled until Mrs. Bromley can attend.

Governing Documents Violation – GM Edwards stated the resident concerned in this case asked to have the hearing re-scheduled for the second time. The resident was advised it would be rescheduled to January 2008 but that there would be no further re-scheduling.

Reserves Study: Including Westwinds and Summerfield Sidewalks - Covered under the “Draft FY’09 Budget for LLA” section above.

RESIDENT FORUM

Aspen Resident Kathy Brown commented that LS must work out landscaping and tree planting plans for the new sections of Aspen. In particular, the LS Aspen II Phase 2 landscaping plan will require a blanket ECC approval and a Memorandum of Understanding for tree planting. Director DiMeglio stated he would discuss this issue with all concerned parties to ensure an agreement is reached.

ADJOURNMENT

Director Charles made a motion to adjourn the meeting. Director Hembree seconded the motion. The meeting was adjourned at 9:37 PM.