

Meeting Date April 15, 2009

In Attendance: Frank Dertzbaugh, Doug Chapin, John Peters, MJ Minton, James Nee, Tom Nee.

Budget Items: To date we have spent \$106,137.61 of special tax money
Balance in the account to date is \$48,485.90 (not all tax money has been collected)
LLA HOA budget for Aspen North is \$20,000 until February 28, 2010

Passed out reports on expenses and preliminary draft of remaining expenses (included)

Engineers have billed their entire budgeted amount with an anticipated \$27,000 carry over/deferred amount. They have a preliminary estimate of \$50,000 for the next phase to include plan revision after the second review, easement descriptions, as-builts, water and sewer map, administration, and reimbursables. They also have not done any engineering on the pump station yet as we are still waiting on the county's directions. Their very rough estimate of engineering for the pump station is \$30,000.

Miles and Stockbridge also has a deferred/carryover fee of \$10,305
There will be FRO costs that will need to be budgeted in the upcoming tax year
All preliminary anticipated expenses are outlined in budget

Discussed original budget by Munciap with bond methodology and interest added to it. County approved a \$6,000,000 special taxing district which includes construction, amortization and all other fees associated with selling bonds.

Bond interest in 2006 was estimated at 6.5%

Underwriting costs are approximately 2% according to Keenan

Pump station costs are not complete yet. Line item from original budget included cost sharing with Land Stewards. We are hoping to come in lower with the use of the Holly Hills pump station given to us by the county.

FRO Costs (Forest Resource Ordinance) is 1:1 replacement on any forest removal for every acre you tear down we have to reforest. There are forest banking easements that can be purchased privately. If we use existing forest we don't get the full credit. We are hoping the LLA might have some acreage they would be willing to put into a perpetual easement. According to Fran Zeller our requirement would be 2.82 acres. We could either purchase 2.82 new forest or 7.05 existing forest. Or we can pay a fee in lieu of which would be approximately \$67,000. This needs to be included in our budget

Bids: We had 3 bids come in on the construction not to include the pump station. All were Right around \$2,000,000. We have 2 more contractors wanting to submit numbers. This is lower than our original estimates of \$3,200,000.

Bonds: We had a conference call with Keenan Rice on 4/1/09 to discuss the bond market and

possible bond sale. The tax assessment for the upcoming 2009 tax year needs to be given to the county in May. According to Keenan we can sell bonds anytime in the upcoming year and the tax liability for the bond sale, approximately \$3,500 would be assessed on the next year. We were not going to be able to sell bonds by the 2009 tax year deadline of May. But we could go another year at the adjusted special assessment amount of \$1500 and continue with the necessary engineering work, get permits and then sell bonds with an estimated tax liability in 2010 of the \$3,500 increase.

Keenan stated that the project improvements need to be designed, permitted and bid before we can go out to bond. This is different than originally estimated as the bond market has become very difficult to sell now and the bondholders want to see a project permitted and budgeted before they will invest. He said to allow a 5 – 6 month time frame to sell the bonds. Bond interest rates are expected to go down and have started to do so from the 10% recent amount.

He suggested waiting another year to get the improvements permitted and bid. This will also give the bond market time to improve. WE can sell bonds during the year if everything is ready.

Additionally he said that if a property owner did not pay the special tax, it was treated like your property tax, and would go up for tax sale in June at the price of the delinquent tax.

***The board voted to go another year at the special assessment of \$1500 with the intent of finalizing our construction budget, and pump station, and begin review with the county, permitting and other construction related costs necessary to sell bonds and begin construction.**

Construction Management: At this time the project is in need of construction expertise and management to bring together the preconstruction costs necessary for budgeting, permitting, design, and bond sale. Some of these tasks include contacting the electric and cable companies, easements, FRO costs, engineer management, and pump station. With the board members in volunteer positions and busy with their own jobs, it was discussed about bringing in a hired consultant specifically for this purpose. Jim Dimeglio, formerly with Land Stewards, is now working in his own company doing project management. He is a valuable resource in the construction expertise and Lake Linganore community. The board agreed to schedule a meeting with Jim to see what he could offer our project and at what price.

Combined Federal Campaign Fund (CFC) Finally, it was announced that ECPC is approved to participate in the 2009 campaign to accept charitable donations from government employees and organizations via a giving book distributed as approved charities for government donations.