

Board Meeting of November 13, 2008

Board members present: Janet McKenna, Brian Clare, Bill Tucker, Joan Ferrick, Diana Hawley, John Trainor, David Byler, Karen Dryden, Art Wood and Beth High. Andrea Gilde and Sonny Hayes were absent.

Committee members and guests: Bill Dryden, Paul Pudlinski, Don Manges, Jean Tucker, Pat Day and John Bates

Architectural Review - Bill Dryden, Chairperson

Since the October Board of Directors meeting the following were approved:

Andrew & Fanilda Shaw
K – 4, 35 Caldwell Road
(Large deck on left side & rear)

Don & Sue Schooley
K – 15, 107 Caldwell Road
(Sunroom & deck)

Other issues:

Phillip Moran
I – 1 – 5043 Turkey Point Road
Have written & called re: (construction of addition in rear of property without approval. No response as of yet)

Fritz Walker
G – 17, Rolling Avenue
Have written & called re: (construction started to extend garage without approval. We are now playing phone tag)

CERT (Emergency Team) -- There is currently no chair for the team. Chris Shelton is a possible chair with EMT background. Bill Chase a possibility for team, particularly with HAM radio background.

Community Events - Diana Hawley, CE Committee Chair

The following events were held since the October Board Meeting:

- Fall Clean-up (October 18): Thank you to Pat Day and Karen Dryden for organizing the morning coffee and potluck lunch after the clean-up, to Carol Wood for helping with the coffee at the harbor, and to Phyllis Doyle for organizing the “Get Ready” presentation on emergency-readiness.
- Halloween Party (October 25): Despite heavy rain, winds, and a power-outage, approximately 40 children and their families attended the Halloween Party.
- Mooring Pull (November 1): Thanks to Pat Day and Karen Dryden for organizing the morning coffee and sandwich lunch.

A flyer advertising CI’s December holiday events will be distributed to residents via tube drop this week. The following two changes have been made since it was originally printed in the October newsletter:

- Bob and Dee Hartman (64 Racine Road) will be hosting the Wine and Cheese Social on Sunday, December 7, at 4:00-6:00 p.m.
- The Children’s Christmas Party will now be held on Saturday, December 13, at 1:00 p.m. (It was previously scheduled for Sunday, December 14.)

There are still a limited number of 2009 Chesapeake Isle calendars for sale at a cost of \$10 each. If you are interested, please contact me or Iva Burroughs. We will also bring any remaining supply to the upcoming December events.

The December CE committee meeting will be held on Monday, December 8, at 7:00 p.m. at the home of Pat Day.

General Maintenance – John Bates provided the update.

- The vinyl siding is completed on the back side of the Maintenance Building.
- A tentative month for Jacob’s Nose cleanup is March, 2009. This could also be timed to coincide with harbor maintenance activities.

History –Audrey Buck has stepped down as the Committee Chair and will now serve as the Co-Chair. Pat Day will now serve as the Committee Chair.

Legal – Update provided by David Byler. Nothing new to report.

Library – No new business to discuss this month.

Membership – Update provided by Jean Tucker

Recap:

- 2007 - All property owners have paid their 2007 maintenance fee.
- 2008 - Seven property owners (8 lots) have not paid their 2008 maintenance fees: six are required to pay maintenance, and one is optional (Mason Lane). A total of three letters have been sent for 2008.
 - Original invoice in January.
 - Second notices for 2008 maintenance fees were sent on March 1.
 - Third notices for 2008 maintenance fees were sent on April 15.
- Carol Wood & Sue Schooley are joining the membership committee, Mary Abel is transitioning off.

2008 Responses to Date

- CI Community
 - Maintenance
 - Required 319 of 326 lots (98%)
 - Optional (Mason Lane) 4 of 5 paid (80%)
 - Bath House 121
- CICA
 - Membership
 - Owner 240 of 301 owners (80%)
 - Renters 2 renters paid membership
 - Shuffle Board 53
 - Boat Storage 102

- Mooring Set & Pull 92*
- Mooring Pick up & Return 82
- Donations/Late fees \$111.77
- * Check received from Murray's for \$30, this is the additional fee for setting and pulling a mooring on the NE River & pulling and extra mooring they set on the NE River.

2008 Maintenance Fees Outstanding

- Property owners
 - **Blackburn**
 - **Browne**
 - **Coco – 2 lots**
 - **Crowetz**
 - **Dean**
 - **Howard (Mason Lane – optional)**
 - **Kucharsey**

Newsletter – Nothing to report this month.

Pavilion and Maintenance Area Update:

- The pavilion has been closed for the season.
- Trash service has been terminated for the season as well.
- Coolers with paper supplies as well as fans have been moved to the men's room.
- Floats from the harbor have been moved into the ladies room.
- Mower deck has been safely stored for the season.
- A scrapper blade for the CICA tractor (i.e. road servicing) has been missing now for some time. It disappeared after Fall Cleanup Day and has not turned up since. John Bates is trying to find the scrapper nameplate and will file a report with the Sheriff's office.
- All other equipment (mower deck, blades, etc...) will be stamped with CICA in the future for easy identification.

Road Maintenance – John Bates provided the update.

- Pot hole calls are coming as Winter approaches.
- Self help for pot hole repair is an option. Grab a bucket and fill it up with millings for self help remedy.
- Other than self help, John Bates and team will address in time.

Technology – Nothing new to report.

Town Watch – Submitted by Janet McKenna

As a result of the possible scrapper theft, it was asked whether the swimming area should be chained in the evening. In the end, it was decided "no" as a result of chaining logistics. The committee is still seeking more volunteers

Snow Plowing – Brian Clare provided the update.

- Discussed the issue of driveway sequence or "order to be plowed" during a snowstorm.
- Brain handles the contracting between CICA and the residents, in regards to plowing.

- The Maintenance Team orders the plowing. It is always roads first and residents second, with no particular order. Often time it is based on where the plow ends up when the roads are completed.
- There have been 16 residences register so far for the 2008/2009 season. Average is ~20.
- A check for \$1275.00 has been given to the Treasurer.
- Sonny Hayes was heading up the snow plowing effort, but as a result of extensive business travel will no longer be the lead.
- Bill Chase will be the local lead during Sonny's temporary relocation.
- Driver's will meet and discuss the plan of attack for the upcoming season.
- Snow plowing is available to CICA members only.

Harbor – Art Wood provided the update.

- Moorings are pulled. A total of 3 are still in the harbor.
- No takers on the "FREE" CICA boat at the harbor.
- Art Wood will try to inventory dinghies in an attempt to determine which are abandoned.
- Kayaks are not allowed to be left in the harbor racks over the winter.
- The possibility of providing extra kayak racks for the Spring, 2009 will be reviewed.

Secretary's Report - Janet McKenna presented in Andrea Gilde's absence.

- The minutes from the October 15, 2008 board members were approved as written and will be posted on the bulletin board & website.
- In addition, the minutes from the Closed Board Meeting held on October 13, 2008 were approved with one section redacted pursuant to Title 11B, section 4 (IV).

Treasurer's Report – Update provided by Bill Tucker, Art Wood and Brian Clare.

- There are still technical difficulties producing the Treasury Report for the month of October.
- Art Wood and Brian Clare working with the Treasurer to rectify.
- Having the money split between two accounts (CICA and Maintenance) is creating difficulties.
- Additionally, after the budget was approved, monies were immediately spent, prior to the funds being present. This helped to get the books out of "sync." In the end, after a careful review, the register and books match the bank accounts.
- Lesson learned – An approved budget is not approval to spend money. Fiscal year is June to June and the budget is not approved until August.
- The Treasurer, Bill Tucker, is being presented with contractor invoices for mowing. This should not be the case. Since Sonny Hayes is busy traveling on business, the contractor invoices should be presented to either Bill Chase or John Bates. As a side note, Alan Embon may "officially" be retiring from lawn mowing services. Time will tell.
- A corrected Treasurer's report for October will be forthcoming.

Road Resurfacing Committee - Don Manges provided the update

- The minutes from all of the Road Resurfacing Committee (RRC) meetings have been posted on the Chesapeake Isle web site. The minutes have been redacted and this is clearly stated on the postings. Anyone desiring to see the original minutes can request a copy from RRC.
- The RRC requested that the Board establish the voting protocol for the paving of the roads.

- Review of Bylaws as it pertains to voting on capital projects and the calling of a special meeting followed. Voting on capital projects typically occurs at the annual meeting. In such a case the proposal would have to be submitted 30 days prior to the annual meeting. The project would be a capital expenditure if the cost is > 25% of the annual budget. During the annual meeting, a vote would then be held to accept or reject the capital project and expenditure. The capital project would pass if a simple majority votes and accepts the project. RVJ will be contacted to determine if the vote needed to pass the road repaving project could be increased from a simple majority to a 2/3 vote. Would the bylaws have to be changed to increase the vote margin to 2/3? RVJ to answer this question for the Board.
- Additionally, calling a special meeting to vote on the project was discussed. A special meeting can be called, aside from the annual meeting. It is unclear if a capital project could be voted on during this special meeting. RVJ will also be contacted to determine if a capital cost can be voted on at a special meeting.
- Dates were discussed for the holding of a special meeting. The first weekend in May, 2009 was proposed as a tentative time, but nothing was set.
- The RRC thought that a survey was needed to find out whether or not lot owners would require financing to pay for their assessment if the roads are paved. A draft survey was provided by RRC and reviewed by the Board. A motion was carried by the Board to **not send** the survey out for general review at this time.
- The RRC present a draft of the project timeline to the Board. The Board specified that the timeline needed to include milestones for further investigation of financing options and legal issues. Legal issues include collection of funds from residents in the case of default, bankruptcy, etc... RVJ to be contacted and these legal concerns discussed.
- A Draft Proposal was prepared by the RRC. This project proposal was reviewed by the Board and a motion was carried to accept the format of the proposal as presented.
- The RRC reviewed some basic financing options and guidelines. Specifically, Don Manges and Rob Green met with a commercial loan officer at PNC Bank in North East to find out if financing could be obtained for paving the roads. PNC is loaning money. The bank would need copies of our Bylaws, Financials, and last three tax returns to see if CICA qualifies.
- RRC presented the following financing example: A loan could be unsecured, variable rate and could be amortized over 10 years with a 5-year term. At today's interest rate of 5.7% a loan of \$250,000 with a 5 year term amortized over 10 years would require a monthly payment of \$2738. If this payment was made by 163 lot owners (half of the 326) their annual payment would be \$202 but would balloon after 5 years. A suitable higher payment could make it possible to pay the loan off at the 5 year term. Personal loans are available but an unsecured loan with a fixed rate has a 13.74% interest rate.
- The Board requested that the RRC pursue more financing details and present a report of the options. RRC took this as an action item. Art Wood will work together with RRC on this action item.
- The RRC "Questions and Issues" list has been updated and is attached to the RRC minutes dated 10/28/08.
- Finally, RRC presented that the Asphalt Index is falling along with crude oil prices. The cost of asphalt could be half of what it was when original quotes were received. This

could reduce the capital cost of the project by as much as 45%. 90% of the project cost is materials.

New Business :

- Keep an eye out for poachers. Arrows have been found again.
- Beth High proposed purchasing new flags for the Harbor and Pavilion area. A motion was carried to approve the purchase of new flags for the two areas.
- Joan Ferrick contacted Delmarva Power concerning the recent rash of outages. Delmarva is aware of and reviewing the situation.

The meeting was adjourned. Next meeting will be Thursday Dec. 11 at 7 p.m. at the pavilion.

Respectfully submitted,

John J Trainor

Board Member