

Chesapeake Isle Civic Association and Community Maintenance
Annual Meetings, August 28, 2011

*Due to the extreme and dangerous weather conditions resulting from Hurricane Irene, the Annual Meeting of all property owners and the Annual Meeting of CICA members was postponed. In accordance with the rules and regulations to provide a 30-day notice, a special newsletter was sent to all property owners on August 31, 2011, announcing the new meeting date: **Sunday, October 2, 2011.***

The Chesapeake Isle Community Maintenance meeting was called to order at 2:00 p.m. by President Diana Hawley.

Board Members Present: Ed Campbell, Pat Day, Karen Dryden, Joan Ferrick, Andrea Gilde, Joe Greenfield, Diana Hawley, Don Manges, John Reber, Jim Richardson

Board Members Absent: Troy Gunden, John Trainor

Diana Hawley led the Pledge of Allegiance and Moment of Silence.

President's Report (Diana Hawley)

Diana Hawley welcomed everyone, and introduced and thanked Board officers and Board members. She also thanked the following:

- Community members who helped set-up for the meeting
- All meeting attendees for their flexibility with the change of the meeting date
- All community members who reached out and offered assistance to their neighbors and the community volunteers who helped removed downed trees from the roadways and yards following the hurricane. Despite having a lot of downed trees throughout the Isle, only a couple of houses or garages were affected and there was no major damage.
- All outgoing Board members and officers who extended their terms of service for 35 days (due to the meeting postponement).

Diana also reviewed meeting expectations and highlighted some agenda items, including the following:

- The meeting will follow the written agenda (copies provided to attendees); all discussions and questions will be limited to the agenda item at hand.
- Microphones will be available for questions and comments. Respect for others while they are speaking is expected.

We have had a tough year, with, once again, a lot of weather-related issues, but yet overall I think it has been a productive year. As you will hear under Old Business, we have made a lot of strides in tackling what is a very challenging endeavor: our community roads. During the last year, as mentioned at last year's meeting, we hired an outside contractor to regrade our roads and we developed a committee to explore every possible option for moving forward and to figure out what is the best plan for us. I want to thank Sonny Hayes for doing such a fabulous job day in and day out in what really has to be one of the hardest volunteer jobs I have ever seen: chairing our Road Maintenance and General Maintenance and Erosion effort. And I also want to thank John Murray for taking the lead on the Roads Improvement Committee and to all of the community members who stepped it up to work on this very difficult endeavor. You'll hear from both of them under Old Business.

Another thing that I would like to inform you of that I did not cover in the FAQs is the pending litigation with lot owners from Mason Lane. We were served with a complaint on July 25, 2011, and we are now in the question and answer period. Because this is pending litigation, I am not at liberty to discuss it or answer any questions at this time. A copy of the complaint is public record, and we have therefore posted it on our web site for your information.

At the end of the meeting we will then go over the proposed budget that was presented to each of you in July. I hope that everyone has had a chance to review it. As you will see, we will continue to operate on a very limited budget. This has been especially challenging as we attempt to maintain and fix our roads, maintain our community areas, and basically run this community. We do have so many volunteers who work really hard for free—and this has allowed us to keep our maintenance fees low—but we are really struggling to do work here on such limited resources. And as a heads up, there are a couple of challenges that we are looking at now—including a major effort to fix our beach erosion—that will have to get put on hold until the next budget year. After this year, you may be seeing increases because we simply just don't have enough money to maintain everything with our current maintenance fees. It is really difficult, and I am personally really impressed that we have done as much as we have during the past years. I think the Board, and the committees, and all of you who have volunteered should be really proud of all our accomplishments.

Just as an FYI, one additional expense that we will need to expect in the coming years is the cost to fix our beach erosion. Don Manges is investigating methods for correcting the beach erosion issues. If any of the methods are found to be feasible, it may become a budget item in the next budget year.

This is going to be my final couple of hours as President here (I still have a couple of years on the Board though), but I still want to thank you for your cooperation, your hard work, and your contributions to this community. I look forward to another productive meeting today and I hope all of you will consider helping out to the best of your ability as we work together for the benefit of all of us.

Secretary's Report (Pat Day)

The 2010 Annual Meeting draft minutes were approved by the majority, with no suggested changes.

Treasurer's Report (Andrea Gilde)

Attendees were reminded that this report is reporting on last fiscal year's business and to therefore limit questions accordingly.

Copies of the Community Maintenance Final Treasurer's Report for FY 2010-2011 were distributed to meeting attendees. Andrea Gilde reviewed the expenses for each budget category and total funds/balances available for the past fiscal year (ending on June 30, 2011), and fielded questions, as follows:

- *Question #1: What goes into expense of beach and harbor?*
Answer: Beach expenses included ruptured line to bath house, refinishing the swimming floats, and the maintenance and upkeep of playground equipment. Harbor expenses included clean-up to remove 10Ton of debris and the repair of docks.
- *Question #2: What is being done by maintenance dues not paid?*
The Legal Committee refers owners who are two years delinquent to our attorney, who begins the legal collection process. Attorney fees and interest are included. If owners do not pay, a

lien is placed on their property. If a foreclosed property owes maintenance fees, we attempt to collect these fees from the bank.

A motion was made and seconded to approve the Treasurer's report. All were in favor, and it was therefore approved.

Old Business

- **Road Maintenance and Improvement:**

Diana reported that one of the biggest challenges that the Board continues to deal with is the roads. We have the challenge of figuring out the most fiscally responsible way to maintain them. We did the best we could do with the limitations we were given. We conducted research, met with contractors, and attempted to come up with an alternative road maintenance plan that involved grinding existing millings, regrading, and rolling. We did 1/3 of the community initially, then evaluated the results. Because the roads that had been done fared through the winter and were much better than the roads that were not done, we therefore had the contractor do consistent work on some of the remaining roads. Sonny Hayes, the chair of the Maintenance Committee, also provided routine maintenance.

During the past fiscal year, the Board also developed a long-term planning committee—and invited every property owner to be part of this process—with the goal of developing a realistic, cost-effective long-term plan. This committee, chaired by John Murray, (and consisting of members Diana Hawley, Troy GUnden, Don Manges, Phyllis Doyle, Andrea Gilde, Bill Dryden, Brian Clare, Sonny Hayes, and Brian Morgan) looked at the scale of the problem and researched a wide variety of possible solutions. In analyzing the road conditions, it was determined by the committee that a sound foundation was needed and a review of the existing drainage infrastructure before any surface treatment could be sustainable on a long-term basis.

The one thing that became evident was that we need to address and correct that numerous drainage problems that exist throughout the community. This is highlighted in the FAQs that was distributed to community members prior to the meeting.

Diana then introduced Sonny Hayes—chair of Maintenance Committee—and John Murray—chair of the Roads Planning Committee. Sonny and John each spoke about their work during the past fiscal year, including the following:

- Sonny Hayes reported that he has been attempting to do as much work as possible with volunteer help, which did not happen. Because of several heavy rainfall events this year causing extensive damage to the roads, a contractor (S&M Paving) had to be called multiple times to several times to assist with repairs.
- John Murray reported that his committee began by looking at the drainage infrastructure of the community. Proper drainage will limit the amount of water that crosses the roadways, causing damage. KCI engineering provided a drainage system analysis and the committee identified nine specific areas that needed to be addressed. A site plan, which shows those areas, was presented. All established standards and guidelines will be implemented.
- Sonny also reported that the work by the contractor is dedicated to directing water into swales. Many roads have edges that are built up, preventing the water from entering the swales.
- Problem areas have been prioritized, and six were accomplished this week (in FY 2011-2012), but with money collected from the past two fiscal years (FY 2009-10 and FY 2010-11).

- Next year's plan is to continue to perform routine maintenance and work our way through drainage issues on roads and as money permits. Projects will be identified and addressed in order. The committees are aware of problems and are dealing with them as time and money allows.

The floor was opened to questions from attendees:

- *Question: All summer long during hot weather, Racine is very bad with the dust; is dust control being addressed?*
Don Manges is looking into a polymer that is spread over the millings to keep them from going airborne. He has found the product in Oregon and Massachusetts, but it is expensive to ship and effectiveness is unknown at this time. It is environmentally sound. *Is this a one time job or will it be done quarterly?*
Don Manges reported that we can't give a definite answer, as it depends on traffic, and it is not water-soluble.
- *Question: County engineers have offered time to come down; do we need this?*
We are already involving an engineering firm.
- *Question: Are you thinking about revisiting the possibility of black-topping?*
Drainage is an issue no matter what the road surface. We need to make sure that water goes where we want it to go, not to cause road damage. It is also important to note that swales are a necessary component of drainage. Swales belong to CICA, not the property owner. CICA and Community maintenance do not need permission or approval of homeowner to maintain the swale. Swales are necessary to minimize road drainage and damage and should not be filled in or manipulated by the homeowner.

New Business

- Proposed Budget Presentation and Vote

Andrea Gilde presented the Community Maintenance Budget Request for FY 2011-2012 (7/1/11-6/30/12). This proposed budget was included in the July 2011 newsletter, which was sent to all property owners, and copies were also disseminated at the start of the meeting. Proposed expenses were reviewed.

Andrea also mentioned that the tax issues were handled by Brian Clare, as community members previously requested that the tax status and payments be investigated. This was completed. We had a paid CPA do the taxes for the previous year and had made a previous tax (estimated) payment. It is therefore likely that the \$2000 will not be used. We are also looking into re-filing for the past 3 years to see if we can retroactively redeem monies.

The floor was opened to questions/comments:

- *Question: Should we look into purchasing a snow plow?*
We will research this issue. Mike Burroughs will research this.

- *Question: Can you clarify the “wages” expense?*
This is the amount we pay for cutting grass on community property and snow removal for the roads.

- *Question: In FY2010-11, \$1250 was allocated for insurance but \$1750 was spent. Why hasn't the insurance budget been increased?*
Although the answer was not readily available at the time, it was later determined that our IWIF (worker's compensation) insurance payment was responsible for the overage. That payment is due in mid-July, and it was paid in July of 2010. When the bill came in for the next year, it was paid in June of 2011, although it was not due until mid-July. Therefore, the payment was made twice in the same fiscal year, once in the beginning and once in the end, but covered two separate time periods.

- *Question: Why do we pay for IWIF insurance?*
We are an employer, and because the grass cutters and snow plowers use our equipment, we must insure against injury and damages. It is a State requirement.

With no further questions, ballot forms were distributed for vote on the proposed budget. With 47 in favor, 1 against, and 1 incomplete, the proposed budget was passed.

With no further business, a motion was made to adjourn. All in favor. The meeting was adjourned at 3:15 p.m.

A brief recess was taken before starting the Annual Meeting of CICA Members.

The CICA Meeting was called to order by President Diana Hawley.

President's Report (Diana Hawley)

Special thanks were given to all the committee chairs who work very hard throughout the year. The President encouraged all members to volunteer and sign up for committees.

Diana also reminded CICA members that the individual driveway snow removal contracts would no longer be offered this year. A list of contractors will be included in the October newsletter; if you would like to be added to this list, please contact Diana.

Secretary's Report (Pat Day)

The 2010 draft minutes were approved by the majority, with no suggested changes.

Treasurer's Report (Andrea Gilde)

Attendees were reminded that this report is reporting on last fiscal year's business and to therefore limit questions accordingly.

Copies of the CICA Final Treasurer's Report for FY 2010-2011 were distributed to meeting attendees. Andrea Gilde reviewed the income and expenses for each budget category and total funds/balances available for the past fiscal year (ending on June 30, 2011), and fielded questions, as follows:

- *Question: Are the taxes affected on this budget also [as they were in the CM budget]?*
Yes.
- *Question: What expenses fell under the “miscellaneous” category?*
This was the cost of replacing a fence that was damaged during snow plowing.
- *Question: Are we no longer producing CICA clothing?*
We will attempt to sell any remaining clothing and exhaust our inventory before we investigate spending money to produce additional CICA items.

With no further questions, a motion was made and seconded to approve the Treasurer’s Report. All were in favor, and it was therefore approved.

Committee Reports:

Special Note - Verbal reports were provided for Beach, Community Events, Membership, and Roads Planning Committee. All other reports below were provided as hardcopy only, with no verbal report given at the Annual Meeting.

- Architectural Review (Bill Dryden)
It has been a fairly quiet year for this committee. Since the last annual meeting, the committee has approved the construction of a new house on Lot 3, Block-K; and the construction of a 24’ x 24’ detached garage on Lot 13, Block-N.
- Beach (Joe and Jennifer Greenfield)
It has been a very hot and busy summer at our community beach. Many thanks to our Friday beach clean-up crew who worked diligently at keeping seaweed and debris off our beach, as well as a thank you to the bathhouse cleaning team.

Just a reminder to please adhere to the following rules:

- Completely put out the fire in the pit when you’re done for the evening.
- Clean up your trash after partying; any trash overflow should be removed from the community beach/pavilion area.
- Make sure the bathhouse doors are closed and locked after each use.
- Return and lock in the cabinet all shuffleboard equipment.
- Be advised that there is not a lifeguard on duty at the beach, as it is a “swim at your own risk” area.
- Bring your dogs to the harbor area to swim. Pets are not allowed at the beach area or on the swim platforms.

We are looking forward to another great volunteer turnout for our fall cleanup on October 15th!

As always, if you have any ideas for improving our beach/pavilion area and want to be part of the solution, please contact Joe or Jennifer Greenfield...

- Bulletin Board (Karen Dryden)
There is no activity to report.

- Community Events (Babs Manges)

The Community Events (CE) Committee is responsible for the social gatherings in our community. It has a variety of events for both adults and children. It relies on everyone in Chesapeake Isle to help make it a success, whether in the planning stages or participating in the activities themselves. Anyone with new ideas is encouraged to share them with the committee.

In addition to hosting the traditional events during the past year, we have added some new ones. Last year, Oktoberfest, a new event, was introduced with great success and will be repeated once again this September. In July, another themed social, Margaritaville, was added; it was also another hit!

While the community enjoys the social events, the CE committee also includes events to help others in need in our local community. In the past, it has collected food to donate to outreach programs. This year, donations were made to help the homeless who use the Mary Randall shelter. One more charity the committee is looking into is helping a child in need of gifts at Christmas. (At this time, the committee would like to take the opportunity to thank everyone who donated supplies. This helped make the project for the Mary Randall shelter and overwhelming success!)

The CE committee has donated baskets to raffle off at the Annual Dinners in past years. This year's profit has been used for paint and fabric (to be made into new curtains) for the pavilion. It hopes to do other projects in the future that will benefit our community.

Please remember that Community Events is part of CICA. The committee would like to have all members participate in any and all events that interest them. The goal is to get to know everyone who lives in our "special" community, Chesapeake Isle. It doesn't matter whether you live here part time, full time, or rent. The community would love help at clean-ups, thoughts and ideas for both new and existing events, and most of all, to get to know you. So please, plan to come to a Community Events meeting, call or e-mail Babs if you have any questions, and start enjoying more benefits of living here.

- Harbor (Bill Dryden)

This has been an interesting year, with a lot of time, including two additional clean-up days, devoted to removing trash from our Harbor. We can thank high water and Pennsylvania for the additional debris! Approximately 10,000 pounds were taken to the landfill.

Thanks also to the community volunteers who completed the following projects at the harbor:

- The broken flag pole lines were replaced by Wally Bullwinkle.
- The large floating dock was repaired by Bob Biedermann.
- Harry Seeley built a set of steel rollers for the Mooring Puller, which helps with launching and pullouts.
- A hard working group turned out for Mooring pick-up and launch as well as last year's pullout and delivery. The floating docks were removed prior to Irene's arrival and all but the large dock has been returned to the water

Upcoming projects include the following:

- The very old large floating dock will receive a major rehab this fall.

- The conversation pit is scheduled for a redecking this fall and the boat racks will also be repaired.
- The mooring pull is scheduled for November 5th and the Harbor's winter sleep begins.

Bill Dryden also thanked Brian Clare and Bill Day for being his Assistant Harbor Masters and Bob Biedermann for leading the repair work.

Bill announced that he will be retiring again as Harbor Master at the end of this boating season. The Harbor will be in good hands with Jay Gilfillan as our new Harbor Master in 2012.

Bill wished all a healthy winter season and thanked all the hard workers who keep the Harbor running for the benefit of all.

- History (Pat Day)

The committee will be meeting in October at the home of Pat Day.

- Grass Mowing (Karen Dryden)

OPEN LOTS:

(29) Lots were contracted for the 2011 cutting season which is cut by CICA.

(3) Additional lots are being cut and billed on a per cut basis.

LOTS WITH HOMES:

Lot with home and adjacent lot (in possible foreclosure) is being cut and billed per cut.

Letters have been sent through-out the season in response to complaints that had been brought to the attention of the Board reminding residence of the Restrictive Covenant #3 in our Deed requiring that the grass height be maintained to no more than 6 inches.

- Legal (Bill Dryden)

In late September 2010, the Association was presented a statement by three owners' of Northern Mason Lane. By signing the statement, the Association would have acknowledged ownership of that portion of Mason Lane. Our Attorney advised that we do not own the right-of-way and title is vested with the three owners.

Later this summer, President Diana Hawley was served with a lawsuit by the three owners, which in part alleges that CICA owns the said right-of-way known as Mason Lane. The full complaint is posted on our web site.

A pre-trial hearing will be held on November 11, 2011.

The Legal Committee also tries to assist in the collection of Maintenance Fees. In that vain, we have asked our Attorney to begin the legal collection process on two owners who are past due for two years.

- Library (Joan Ferrick)

Our CICA Library has seen quite a bit of activity on Saturday mornings (10:00-11:30 a.m.). To date, there have been 45 visitors. Our library is also available during community events that are held at the pavilion. Our turnover of books proceeds at a very busy pace thanks to many

donations of current books. Many neighbors also seem to be enjoying the audio tapes that are stocked on the library cart. Give them a try if you like!

Our library will receive a new supply of large print books from the Elkton library very soon. Our thanks go out to them for their generosity and willingness to lend them to us.

The greatest asset is the many volunteers who meet and greet 'visitors' to the Library every Saturday morning during our six month season. This service to our community would be impossible with them!

- Maintenance (Sonny Hayes)

Sonny continues to work on general maintenance needs throughout the community. There are no major problems or pending projects. If anyone is aware of items needing attention, please contact Sonny.

- Newsletter (Pat Day)

The Chesapeake Isle Newsletter is printed four times a year (January, April, July, and October). We urge residents to use this vehicle to be advised of all of the items of interest and the activities that pertain to their community.

Community members were encouraged to make announcements, submit classifieds, and update the directory of changes to your phone, address, email, etc. To do so, please send your information to chesapeakeisle.secretary@gmail.com.

- Pavilion (Sonny and Sara Hayes)

The pavilion is currently committed on the following upcoming dates in 2011: 8/20, 8/26, 8/28, 9/10, 9/24, 10/15, 10/29, and 12/17. CICA members should contact Sonny or Sara Hayes if they would like to reserve the pavilion on any available date; there is a \$35 fee to do so.

- Snow Plowing (Karen Dryden)

(24) Homeowners contracted CICA to plow their driveways during the last season.

The Board has made the decision not to offer the snow plowing of driveways for the upcoming season. Anyone who wishes to have their driveways plowed should contact private services or individuals within the community who may provide this service.

- Roads (Sonny Hayes and John Murray)

As previously mentioned, the biggest project this year was the milling of Darrell, Arden, Cliffview, Gull Circle, Rollins, Mowbray, the south end of Mason, and Caldwell. This work was completed in June 2011 by S&M Paving and seems to be holding up very well.

The Road Maintenance Committee continues to work with the long range Road Planning Committee to designate priority for working on several drainage problems throughout the community. These drainage problems were made even more of an issue by the 9 inches of rain we had on August 13-15. We hope to start work on these problems by the Annual Meeting and will continue this work into fall 2011.

Please also refer to the previous Community Maintenance minutes for this update. No additional information was necessary to report.

Proposed Budget Presentation and Vote

Andrea Gilde presented the CICA Budget Request for FY 2011-2012 (7/1/11-6/30/12). This proposed budget was included in the July 2011 newsletter, which was sent to all property owners, and copies were also disseminated at the start of the meeting. Proposed income and expenses were reviewed.

Ballot forms were distributed for vote on the proposed budget. With 43 in favor and 0 against, the proposed budget was approved.

Old Business

There were no old business items.

New Business

- **Lawn Mower Vote**

Details and a description of the recommended purchase of a Kabota Zero Turn Lawn Mower were included on the FAQs sheet that was given to community members prior to and during the meeting. Diana Hawley and Mike Burroughs provided further information regarding this mower and answered questions, as follows:

- *Question: What is the cost for insurance on the mower?*
The annual cost to insure the mower will be approximately \$200.
- *Question: What are the requirements for drivers? Will they be trained?*
All approved drivers will receive training. Only licensed drivers will be permitted to operate the mower. Because the mower is all hydraulic, it will be easier and safer for more people to drive than the tractor.
- *Comment: Not only will the purchase of this mower save us money in tractor wear and tear/damage, but it is also more efficient and will save money on mowing costs.*

With no further questions, ballot forms were distributed for vote on the purchase of the mower. With 43 in favor and 2 against, the purchase of the mower was approved.

- **Board Nominees/Election of CICA Board of Directors**

Diana Hawley thanked outgoing Board members Pat Day and John Trainor for their years of service and introduced the four candidates who will serve a three-year term (2011-2014): Jim Carter, Joan Ferrick, Troy Gunden, and John Murch.

Since no additional candidates came forward prior to the start of this meeting, a motion was made and seconded to elect the above-mentioned nominees to the CICA Board of Directors. All were in favor.

With no further business to discuss, a motion was made to adjourn the CICA Annual Meeting. All were in favor and Diana Hawley adjourned the meeting at 4:00 p.m.

Respectfully submitted,

Diana Hawley, President; and Pat Day, Secretary