

**LAKE MISSION VIEJO ASSOCIATION
BOARD OF DIRECTORS MEETING
March 10, 2009**

MEETING: Upon notice duly given and received, this meeting of the Lake Mission Viejo Association Board of Directors was held at the lake offices. The meeting was called to order by Diane Lincoln at 7:02 PM.

Board Members Present: Diane Lincoln, President
Fred Mellenbruch, Vice President
Jane Chadburn, Secretary
Sid Wittenberg, Treasurer
Alan Virdinis, Board Member

Staff Members Present: Janice Chandler, Human Resources Manager
Dave Kerr, Administrative Manager
Chris Graham, Operations Manager

Others Present: J. Sperber, M. Ziegler, E. Rodriguez, A. Waugh, , A. Kotnik, M. Willkie, S. Byron, N. Schmidt, , M. Bender, A. Cook, T.Hoadwonic, J. Sobczak, Jack Milikan Kathryn Abele and Wayne Broadhag.

Minutes: Motion duly made by Fred Mellenbruch and seconded by Jane Chadburn to approve the minutes of the February Board Meeting” Sid Wittenberg detailed two changes to the minutes that need to be adjusted. Vote carried: 4-0-1 with the two changes.

Director’s Report: None

Members Forum: Morrie Willke, Commodore of the LMVYC gave a brief overview of the upcoming Opening Day Regatta, scheduled for Sunday 3/29. He mentioned that the ceremonies start at 10:30 a.m. with a brunch at 11:00 a.m. and the first sailboat racing of the season at 1:00 p.m.

Delegate’s Report: Nancy Schmidt, delegate from Mallorca stated that she had been receiving calls from Mallorca residents about concert dates for 2009. Jane Chadburn announced the 2009 concert dates: 6/27, 7/11, 7/25, 8/08, 8/22 and 9/05 with the annual fireworks show scheduled for the final show on 9/05.

Special Presentation: Lifeguard Citation Program
Lifeguard Captain, Dave Peden and Lieutenant Mike Scott presented a concept whereby the lifeguard department officers, facility supervisors and managers would be given the ability to write citations for repeat violation of LMVA rules. Captain Peden and Lieutenant Scott outlined reasons for a need for such a program due to a small group of members that continually violate LMVA rules. They reiterated that most of the members are compliant with the rules. The lifeguards explained the process whereby a member would receive a first warning, and then a citation if they repeated the offense. Alan Virdinis asked if the lifeguard would keep a database. Lieutenant Scott stated that the membership office would receive a copy of the citation so they could document the citation in the membership notes. Diane Lincoln asked about multiple citations and Captain Peden responded that every citation would be accompanied by an incident report

detailing the incident. The member would be given the choice to pay the fine or request a hearing in front of the Board of Directors at the next meeting of the Board. A general discussion took place with several members from the audience made comments about being out on the lake and witnessing violations. Delegate Wayne Broadhag asked about people swimming in the lake outside of the designated areas and if these infractions would be addressed in this new program. Captain Peden pointed out the area of the citation program that would address this issue. John Sobczak asked what the most frequent infractions the lifeguards encountered. Diane Lincoln stated that the 15 foot violations and fishing infractions were the most frequent rules violated. . Diane Lincoln complimented the lifeguard department for their recent enforcement of the 15’ rule around the private docks on the lake. Sid Wittenberg asked about a training program for the citations. Captain Peden explained that the only staff members writing citations would be the Lifeguard Department officers, facility supervisors and managers. Diane Lincoln stated that once the program is approved and after a period of time the Lifeguards could return to the Board if they felt the need to expand the program to have more staff certified to write citations. Alan Virdinis asked about the spawning season for bass and how this program would affect the bass anglers. Lieutenant Scott stated that bass anglers would be held to the same standards as the rest of the lake anglers.

Treasurer’s Report: The financial statements for month ending February 28, 2008 were distributed. The financial information discussed was contained in the statements.

Actual revenue of	\$ 1,011,865
Gross Income of	1,008,240
Actual Operating Expenses of	733,263
Capital Expenditures	449
Net Income	274,527
Budgeted Net Income	101,600
Total Investments	7,253,572
Total Operating Cash on Hand	268,654
Interest Income	35,777

Two months into the year, our budget has worked as designed. There were no expense trends indicating any problem.

Committee Report: None

Manager's Reports:

ADMINISTRATIVE MANAGER'S REPORT

BILLING/MEMBERSHIP DEPARTMENT

- As of 3/04/09 staff has deposited \$2,381,918.00 in membership assessments for current period or 91% of the 01-6/30/09 assessment.
- As of 3/01/09, 479 files are at the collections attorney's office, with 187 accounts delinquent for the 7/01-12/31/08 assessment period and 292 owing for multiple periods.
- Membership counselors processed 1 new voluntary membership during the month of February.

ACCOUNTING DEPARTMENT

- CD and money market rates are continuing to drop. We purchased 2 CD's for six (6) month term average yield 1.18% and 4 CD's for a one year term on 03/02/09, average yield 1.65%.
- Enclosed in your packet is a copy of the current investment portfolio at Comerica Securities.
- Accounting consultant Laura Bender and I met with representatives from Wells Fargo bank regarding commercial banking options. We are currently comparing Wells Fargo costs and services vs. our current provider, Citibank.

FINANCIAL (Revenue · Cost · Reserve · Audit)

- Keyhan Hewitt Accountancy Corporation is scheduled to begin the 2008 Audit on 03/12/09 for publication to the members prior to 05/01/09
- Financial statements for the period ending 02/28/09 are in your packets.

MEMBER / COMMUNITY RELATIONS

- Production work is underway on the 05/09 issue of the Noticia which will include the annual Audit. This issue must be mailed to the members by 05/01/09.
- Clubhouse bookings for 2009 up to 32 events with 14 being weddings and or receptions. Business is steady and the clubhouse continues to be popular with the membership.
- 03/09 Fishing Club tournaments scheduled for 3/14. This is the last regular Fishing Club tournament of the 2008/2009 season. The Angler of the Year tournament and BBQ will take place on Sunday 03/22 to finish off the season.

MAJOR PROJECTS / INITIATIVES.

- Pending restroom refurbishment at NB Snack Bar and Maintenance Building is in progress.

WEBSITE

- Website statistics for 2/09 show 26,003 visits to the website; up 6% from 02'08.

OPERATIONS MANAGER'S REPORT

SPECIAL EVENTS / MEMBER-EMPLOYEE / COMMUNITY RELATIONS

- On 3/8, boat rental hours will be extended by one hour. The last boat will be rented at 5:00 PM and due in by 6:00 PM.
- The LMV Yacht Club's Opening Day Regatta is scheduled for Sunday – 3/29. Wednesday Night Sunset Sailing begins Wednesday – 4/2.

HR / LIFEGUARDS / SAFETY & HEALTH (Incidents • Inspections • Etc).

- February, lifeguard statistics included in your packet.
- 2008 Cal OSHA Annual Summary of Work Related Injuries and Illnesses completed and posted as required by law...2 reportable injuries noted in 2008.
- Annual fire extinguisher service completed by Fire Safety First on 2/11.
- LMV disaster preparedness training conducted on 2/21 & 2/26.
- In past years LMV Junior Lifeguards have participated in competitions with both Laguna Beach and San Clemente Junior Lifeguards. This year, LMV Lifeguards would like to host a competition with both Laguna Beach and San Clemente junior lifeguards. This competition is to be held on Wed-8/5 from 8:00 am to 12:30 pm. We expect an additional 150 to 200 participants.
- 82 future junior lifeguard candidates passed the swim test on 2/28 & 60 passed the test on 3/5. The last J.G. tryout is scheduled for Sun-3/15.

BIOLOGY / LAKE INFORMATION (High 701.15 – Low 700.00 Operating Range)

Lake Elevation	700.84 feet above sea level			
Surface Water Temperature	59-61 degrees			
Secchi Visibility	46 feet			
	<u>Jan</u>	<u>February</u>	<u>March</u>	<u>2009 Total</u>
Purchased Water:	0.00 af	0.00 af	0.00 af	0.00 af
Actual Rainfall:	0.31"	4.53"	0.02	
4.86"				
Average Historical Rain:	3.12"	3.90"	2.80	3.02"
Trout Stocking	March 18, 2009			(3,650 lbs)
Mound	Chaulk			

- The final trout stocking has been changed from 3/11 to 3/18 by the grower due to transportation issues. LMV will remain open to fishing on this day due to this late change.
- LMV's catch-and-release bass season began on 3/1 and will run thru 6/1. Spawning activity is currently in progress.
- Since our program began in 2008, LMV has tagged 535 boats with 30-day yellow quarantine tags and 2,522 boats with green daily use quarantine tags for a total of 3,057 tags.

MAINTENANCE / BOAT RENTALS / LANDSCAPE

- February, 2009 Boat Rental Statistics and Landscape Report included in your packet.
- Build up of unnecessary pieces that have no real value have been discarded in order to organize and create needed storage space in the upper lot.
- Repaired and replaced plywood and support beams on the upper modular access ramp.
- Boat Dock battery room repairs/enhancements are scheduled for April 14-28. Enhancements include the floor, shelving, and electrical. Batteries for the fishing boats will not be available until enhancements are complete

OLD BUSINESS

None

NEW BUSINESS

2008 Audit Engagement/Agreement

The engagement letter to conduct the 2008 Audit as well as to file the LMVA tax returns for 2008 has been received from Keyhan Hewitt Accountancy Corporation. Cost for these services is \$8,250.00 and in line with expense allocated in the 2009 Budget. As such, I am recommending that the Board proceed once again, and allow Ardavan Keyhan to provide services as outlined in the letter by approving and signing this agreement for submittal back to Mr. Keyhan. Motion to approved made by Fred Mellenbruch, Second Sid Wittenberg, Vote Carried 5-0-0

Geotechnical Site Evaluation

Enclosed in your packet you will find bids for a Geotechnical Site Evaluation regarding the Amphitheater/Walkway and Bowl Extension Capital Expansion projects discussed at the 02/09 meeting. Karel Kriz recommends the bid from Soil Pacific Inc. which will include; Site Reconnaissance; Subsurface excavation of 3 or 4 auger and/or test pit opening for sampling and evaluation of earth material conditions; Laboratory soil testing; Engineering and data analysis; and documentation of findings in report format. The cost to provide this service would be a fee not to exceed \$4,500.00 with expense to come from Capital Expansion account 2045. Motion to approve made by Sid Wittenberg, Second Jane Chadburn. Fred Mellenbruch asked about licensing. Dave Kerr stated that the Soil Pacific Inc. is a licensed contractor in California. Fred Mellenbruch stated that the fee advancement is regulated to be no more than 10 % or \$1,000.00 by the Department of Consumer Affairs. The motion was amended to advance only \$1,000.00 to be in line with Consumer Affairs law with the balance paid upon completion of the project. Vote Carried 5-0-0.

The N.B. Snack Bar AC Unit Purchase

Chris Graham stated that the North Beach Snack Bar air conditioning unit is due for replacement. The existing AC unit was purchased in 1990 and has exceeded its useful life by 10 years. \$3,450 is the amount currently available in Reserve. As such, I am requesting approval to proceed with purchase and installation of a 3.5 ton M-Carrier AC/Heating System at a cost not to exceed \$4,650.50 to be purchased from Marine Air, Inc., with funds coming from Long Term Reserve Account #2046. Motion to approve

made by Sid Wittenberg, Second Jane Chadburn. Sid Wittenberg asked about the reserve amount being lower than the cost of replacement. Chris Graham stated that the A/C unit has out lived its useful life by about 10 years and the Reserve Study had not been adjusted for the additional expense. Diane Lincoln asked about ducting and distribution of air conditioning in the ice cream room area of the Snack Bar. Chris Graham stated that the new A/C unit is a 3.5 ton unit vs. the current 3.0 ton unit. He stated that the new unit should serve the Snack Bar efficiently. Diane Lincoln asked staff to look into venting the section of the Snack Bar where the ice cream is sold to improve proper air circulation in the Snack Bar. A general discussion took place regarding funding of the expense that exceeds the amount in reserve for purchase of the A/C unit. Diane asked staff to make a note to adjust the Reserve Study during the annual review to account for the overage in expense of the new A/C unit. Vote Carried 5-0-0.

Adjournment: There being no further business, this meeting of the Lake Mission Viejo Association was adjourned at 8:04 PM.

Attest: _____, Secretary