

**LAKE MISSION VIEJO ASSOCIATION  
BOARD OF DIRECTORS MEETING  
April 14, 2015**

**MEETING:** Upon notice duly given and received, this meeting of the Lake Mission Viejo Association Board of Directors was held at the Lake Administration Building. The meeting was called to order by Kevin Pennington at 7:03 PM.

**Board Members Present:**

Kevin Pennington President  
Bill Ernisse, Vice President  
Dale Tarkington, Vice President

**Staff Members Present:**

Kevin Frabotta, General Manager  
Dave Kerr, Administrative Manager  
Bryant Watilo, Operations Manager  
Janice Chandler, Human Resources Manager  
Kevin Iverson, Controller  
Jim Turner, Aquatics Manager

**Others Present:** J. Sperber, P. Coyle, A. Virdinis, G. Virdinis, G. Millikan, W. Broadhag, K. Abele, H. Weiler, A. Kotnik, N. Schmidt R. Simenz, A. Edwards, S. Edwards, W. Halagarda, T. Hoadwonic, R. Heimann, A. Cook, V. Gonzalez and D Roohk.

**Minutes:** Dale Tarkington made a motion to approve both the March 13<sup>th</sup>, 2015 minutes. Second, Bill Ernisse. Vote Carried 3-0-0 (Fred Mellenbruch and Diane Hufstedler were not in attendance at the meeting).

**Members Forum:** Andy Kotnik addressed the Board.

**Delegates Forum:** None

**Special Presentations:**

**Kids Wounded Warriors Event**

Victor Gonzalez addressed the Board and asked permission to hold a beach day and barbecue on Tuesday, 6/09/2015 for the Kids Wounded Warrior program that he is involved with. Mr. Gonzalez gave a brief description of the scope of the event. The Board stated that they would consider approval in new business later in the meeting.

**Tony's Sea Landing Concession Contract**

Mike Khamis from Tony's Sea Landing addressed the Board and asked to have the 2015 concession contract awarded to Tony's. Mr. Khamis stated that this is his 20<sup>th</sup> year serving LMVA members.

### **2014 Audit / Ardavan Keyhan**

Ardavan Keyhan from Keyhan/Hewitt presented the 2014 Audit report to the Board. Mr. Keyhan stated that LMVA was in excellent financial shape with \$8,500,000 in assets. \$1,500,000 in prepaid assessments for 2015 assessments. The Association ended up the year with about \$180,000 in excess revenue which was transferred to contingency to cover things like fish stocking.

### **Water Supply Project Update**

Dave Roohk our water consultant provided an update to the Water Supply project in the face of the current 4 year drought. Mr. Roohk detailed the serious drought condition that exists in California and talked about the current efforts to conserve water and talked about LMVA's collaborative effort with Santa Margarita to explore options to continue to keep LMV's water supply available.

### **Golden Algae Rapid Response Plan**

Aquatics Manager Jim Turner presented LMV's Rapid Response Plan to the Board. Mr. Turner provided a history of Golden Algae in LMV, presented a plan to deal with another Golden Algae bloom and showed costs to prepare the plan for deployment.

### **Directors Report: None**

### **Committee Report: Landscape Committee**

Bill Ernisse gave a brief report on the Landscape Committee. Mr. Ernisse stated that the committee had held several meetings and showed before and after pictures of the Marguerite and Alicia corner detailing the cleanup work that has been performed by our landscapers.

### **Election Reform Committee**

Administrative Manager Dave Kerr gave a brief report on the actions of the Election Reform Committee. Mr. Kerr stated that the committee had discussed several issues at the two meetings and was planning to contact legal counsel to discuss if a simple rule change enacted by the Board of Directors could restrict delegates to representing only districts where they own property. A general discussion regarding the danger of not achieving quorum to hold an election took place. Mr. Kerr stated that he would report back on findings at the May meeting.

### **Treasurer's Report:**

In the absence of Treasurer Fred Mellenbruch, Controller Kevin Iverson stated that the Lake Mission Viejo Association financial statement through March 31, 2015 shows:

Actual revenue	\$ 1,574,748	
Gross Income		1,572,058
Actual Operating Expenses		1,462,728
Net Income		109,330
Budgeted Net Income		95,860
Total Investments		8,217,414
Total Operating Cash on Hand		303,315

Interest Income

12,219

- Accruals (not including payroll) equal \$82,954 for the month.
- In the last 12 months we have written off \$22,429 in bad debts.
- Budgeted recreation revenue of \$50,000 in March will be realized in the months of April and May as Junior Lifeguard signups/tryouts have been rescheduled to the end of April.

**Manager's Reports:** General Manager, Administrative Manager Operations Manager, Human Resources Manager and Aquatics Manager reports were presented to the Board.

**Old Business: None**

**New Business: ERISA Resolution Adoption**

Dale Tarkington made a motion to adopt the ERISA WRAP PLAN proposed by staff. Second, Bill Ernise. Vote Carried 3-0-0.

**Wounded Warriors Kids Day 6/09/2015**

A motion was made by Bill Ernise to approve the Wounded Warriors Kids Day for Tuesday, June 09, 2015. Second Dale Tarkington. Vote Carried 4-0-0.

**2015 Election Dates**

Administrative Manager Dave Kerr proposed dates for the 2015 district delegate election meetings (October 06<sup>th</sup>), the district delegate reconvene election meetings (October 13<sup>th</sup>) and the annual meeting of the delegates and election of 2 Board members (October 27<sup>th</sup>). Dale Tarkington made a motion to approve the election dates as proposed. Second, Bill Ernise. Vote Carried 3-0-0.

**Tony's Sea Landing 2015 Contract Approval**

A motion was made by Bill Ernise to award the 2015 food concessions contract to Tony's Sea Landing. Second, Dale Tarkington. Vote Carried 3-0-0.

**2015 Triathlon Contract Approval**

Dale Tarkington made a motion to approve the 2015 Triathlon Contract with Pelican Coast Events. Second, Bill Ernise. General Manager stated that the event was scheduled for Sunday, June 07<sup>th</sup> at 7:00 AM. Vote Carried 3-0-0.

**Playground Surface Replacement**

Operations Manager Bryant Watilo presented proposal with 3 options to replace the playground surface which is currently a mix of "Poured-in Place Rubber Surfacing (PIP) and sand. Mr.

Watilo recommended replacing the entire 1800 sq. ft. of surface area with PIP material from Robertson's Rec. Surfaces for an amount not to exceed \$25,068.50 with expense to come from Reserve Account 2046 in the amount of \$14,707.50 and the balance of \$10,361.00 to come from Account 2046 Reserve Contingency. Dale Tarkington made a motion to approve the expense as proposed. Second, Bill Ernisse. Vote Carried 3-0-0.

### **Parking Lot Lighting Project**

Operations Manager Bryant Watilo stated that after considerable work with both contractors and the City of Mission Viejo, he is recommending tabling the decision to approve the project for the Parking Lot Lighting until staff can gain approval from the City regarding the structural design of the poles and lights. Dale Tarkington suggested tabling the decision until the project is ready for approval and calling a special meeting to consider approval.

### **Party Boat / Purchase or Refurbish**

Operations Manager Bryant Watilo presented 3 bid proposals for: purchasing 2 new party boats, refurbishing the two oldest boats in the fleet or purchasing one new boat and refurbishing one old boat prior to the busy summer season. Staff recommended Bid Summary 3 (Purchase one new boat and refurbish one old boat) as a cost of \$34,579.56 (New boat from Nautic Global Group for a not to exceed amount of \$25,027.56 and a not to exceed amount to \$9,570.00 to refurbish the older boat) with expense to come from Reserve Account 2046 Category 60, Boats. A motion was made by Dale Tarkington to approve the purchase as recommended. Second, Bill Ernisse. Vote Carried 3-0-0.

### **Concert/Event Chairs purchase**

Operations Manager Bryant Watilo presented 5 bids to replace 128 of our Reserved Seating Concert chairs with new Grossfillex Pacific Fanback chairs. Mr. Watilo stated that these chairs are thicker and sturdier than our current chairs. Mr. Watilo recommended purchasing the chairs from Resort Contract Furnishings for a not to exceed amount of \$4,392.60 with expense to come from Contingency Account 2047. Bill Ernisse made a motion to approve purchase of the chairs as recommended. Second, Dale Tarkington. Vote Carried 3-0-0.

**Adjournment:** There being no further business, this meeting of the Lake Mission Viejo Association was adjourned at 9:37 PM.

Attest: \_\_\_\_\_, Secretary