

**LAKE MISSION VIEJO ASSOCIATION
BOARD OF DIRECTORS MEETING
May 12, 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 7:04 PM.

Board Members Present:

Kevin Pennington President
Bill Ernisse, Vice President
Dale Tarkington, Vice President
Fred Mellenbruch, Treasurer
Diane Hufstedler, Secretary

Staff Members Present:

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

Others Present: P. Coyle, W. Broadhag, H. Weiler, A. Kotnik, R. Heimann, A. Waugh, S. Jacobs, D. Bunts and D. Roohk.

President Kevin Pennington introduced SMWD Board Member Sandra Jacobs and Chief Engineer Don Bunts.

Minutes: Bill Ernisse made a motion to approve the minutes of the April 14, 2015 Board meeting. Second, Dale Tarkington. Vote Carried 3-0-2 (Fred Mellenbruch and Diane Hufstedler were not in attendance at the meeting).

Members Forum: None

Delegates Forum: None

Directors Report: None

Committee Report: Landscape Committee Bill Ernisse gave a brief report on the Landscape Committee. Mr. Ernisse stated that the committee had met several times and outlined several landscape areas in the North Beach Park that the committee was evaluating.

Election Reform Committee Dave Kerr gave a brief report regarding progress of the Election Reform committee stating that he had met with our attorney regarding election reform issues and Mr. Whitney felt that amending the bylaws would be the method to enact election reform. Mr. Kerr stated that the committee planned to meet one more time before presenting recommendations to the Board.

Treasurer's Report:

President Kevin Pennington, stated that the Lake Mission Viejo Association financial statement through April 30, 2015 were available for members in print form.

The Lake Mission Viejo Association financial statement through April 30, 2015 shows:

Actual revenue	\$ 2,158,842
Gross Income	2,153,638
Actual Operating Expenses	2,021,433
Net Income	132,205
Budgeted Net Income	73,204
Total Investments	7,718,490
Total Operating Cash on Hand	358,841
Interest Income	13,298

- Accruals (not including payroll) equal \$136,481 for the month.
- In the last 12 months we have written off \$22,038 in bad debts.

Special Presentations Water Supply Update

Water consultant Dave Roohk reviewed the Water Supply Project and stated that the final alternative ranking showed Advanced Purified Water as the highest ranked alternative. Mr. Roohk stated that the lake uses approximately 600 acre feet of water each year with an average of 250 acre feet coming from potable water purchased from SMWD. In 2014 LMVA purchased 350 acre feet of water. Mr. Roohk explained the filtering system that would be put in place and that the resulting APW water pumped into the lake could actually improve water quality. General Manager stated that LMVA was currently purchasing water and would continue to purchase water through 6/15 when we will have received 185 acre feet or 75% of our 2013 total purchase of water.

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

Old Business: Parking Lot Landscape Renovation Plan update

Operations Manager Bryant Watilo presented a report regarding the Parking Lot Landscape Renovation Plan currently in progress. Mr. Watilo stated that the administration parking lot is now completed with the exception of a few plants. The project has moved to the Fisherman's parking lot where rock has been delivered is progressing on schedule, and that the turf replacement areas would be completed by June 5th which is prior to the deadline to collect our turf replacement rebates.

New Business: Review / Approval of Advanced Purified Water project

Dale Tarkington made a motion stating "given the analysis that we have made that recognizes that Advanced Purified Water (APW) is the best solution, that we call a Special meeting of the Delegates for June 2nd @ 7 PM to consider approving the Board and Association entering into a long term agreement with SMWD for provisions for this water supply". Second Diane Hufstedler. Vote Carried 5-0-0.

Annual retainer with Neuland, Whiney and Michael

Diane Hufstedler made a motion to enter into a contract with the law firm of Neuland, Whitney and Michael for another year. Second, Dale Tarkington. Vote Carried 5-0-0.

Purchase of Honda Motor for the Biology Boat.

Operations Manager stated that staff received 3 bids for replacement of the Biology boat 90 horsepower motor. Mr. Watilo recommended purchasing the motor from Tradewinds Inflatables for a not to exceed amount of \$10,898.11 with expense to come from reserve account 2046 Category 070 Boat Motors. Fred Mellenbruch made a motion to approve the purchase of the Honda motor as presented. Second, Diane Hufstedler. Vote Carried 5-0-0.

Purchase of Picnic Tables

Operations Manager Bryant Watilo presented a bid to replace 22 picnic tables in the North Beach park with 8' Playworld #ZZZX1404 tables from Dave Bang Assoc, Inc. for a cost not to exceed \$22,255.96 including tax and shipping with expense to come from Reserve Account 2046, Category 130 Recreation Structures. Dale Tarkington made a motion to approve the purchase as proposed. Second, Bill Ernisse. Vote carried 5-0-0.

Lifeguard Dispatch Remodel

Operations Manager Bryant Watilo presented a bid to replace the cabinets and counter top in the lifeguard dispatch area along with purchase of 3 new stools for a cost not to exceed \$5,622.94 with expense to come from Account 2045, Capital Expansion. Fred Mellenbruch made a motion to approve the expense as presented. Second Diane Hufstedler. Vote Carried 5-0-0.

Adjournment: There being no further business, this meeting of the Lake Mission Viejo Association was adjourned at 8:20 PM.

Attest: _____, Secretary