

Minutes, Chesapeake Station Homeowners Association Annual Meeting, Sept. 12, 2009

After determining that a quorum was present, including proxies, Board President Jim Mulder called the meeting to order at 10 a.m.

He turned the meeting over to Roland Schlehuber for the Treasurer's Report. Roland noted that in contrast to last year, we were able to make a large contribution to the Reserve Fund, thanks to the special assessment approved at last year's meeting. Thanks also to an accounting change – assigning reductions in the SBA loan to reserves – the Reserve Fund now is in line with the Mason & Mason study.

In answer to a question, Roland and Jim asserted that the first projects to use the reserves will be repaving of the parking lots for the Overlook and the C Street town homes.

Other questions centered on whether the Association should contract for full-service management, rather than only financial management, which it currently receives. Those proposing this change argued that it would reduce the workload for the Board of Directors, which might attract more Board candidates. It would also, in this view, be easier for outside management to make difficult decisions about sanctioning homeowners for violations. The argument on the other side held that this would be a considerable expense – estimated by Roland to be least an additional \$80 per household annually – and would detract from the community spirit that results from much of the Association's work being done by volunteers.

Jim stated that it was his sense that the community was not ready either to accept or reject the concept of full-service management, and that this should be a matter for the next Board to investigate.

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The next topic of discussion was the two amendments to the CSHOA bylaws to be voted on at the meeting. The first would reduce the required quorum from 51 percent to 25 percent, and make other changes to the requirements for meetings. The other would allow the board to impose a late charge when assessments are not paid on time. While the late charges generated little discussion, several speakers questioned the rationale for such a drastic reduction in the quorum requirements. A consensus was reached that if the measure did not pass, a committee should be formed to determine what changes might be needed in this area and to draft wording.

Committee reports followed:

Architectural: Before Penny Schmidt gave her report, Jim outlined changes to Resolution Three that have been approved by the Board at the Committee's

request. These involve types of vinyl siding and colors of window trim. Penny said that her committee has been working with a homeowner whose property has been cited by the town for violations and expected the matter to be resolved.. She introduced committee members, noting that more would be welcome. The Committee does not have a regular meeting schedule, she said, but meets when it has matters to resolve.

Beach – Jim reported on behalf of chair Rob Crow, who was absent. The spring beach cleanup was successful and well-attended. Another will be held next year. The community is grateful to volunteers who have picked up debris between cleanups and have put the beach trash can out for collection.

Grounds – Jim read the report prepared by Chair Pam Johnson, who was absent. The Committee thanks volunteers who worked on new specifications for the grounds contract. At this point, however, Andino has agreed to a three-year contract extension at no increase in cost. Among the year's projects were removal of junipers obstructing drivers' views exiting the C Street parking lot, and work on the berm. Unfortunately, someone has been dumping garden debris in the berm. All should be aware that the town picks up garden trash at no charge every Tuesday.

Social – Charlie Pritchard gave the report in place of Chair Heidi Daniels. He reviewed the year's events, from the 2008 Oktoberfest to this summer's Luau and yard sale. The yard sale was a great success and will be repeated next year along with other events. This date for this year's Oktoberfest will be announced shortly.

Election of Board Members and voting on the amendments followed. Names on the ballot were current board members Diane Halvorsen, Rusty Kuhns and Roland Schlehuber, as well as Charlie Pritchard, seeking his first term. Roland nominated Jim Mulder, who had not planned to run for re-election, and Charlie proposed George Newman, another retiring board member. The result of the voting were rejection of the quorum change, approval of the late fee authorization, and election of Charlie Pritchard, Diane Halvorsen, Rusty Kuhns, Jim Mulder and Roland Schlehuber to form the 2009-10 Board of Directors.

During the ballot counting Mayor, and CSHOA member, Bruce Wahl gave a report on Town of Chesapeake Beach affairs, highlighting improvements in sewage treatment and resurfacing of C Street.

The meeting was adjourned shortly before noon.