**Board Members Present:** Gary Heal, Libby Fall, Jack Andre, Paula Walker, Curt Larsen, Tony Spakauskas and John Rovero

**Board Members Not Present:** Amy Rispin and Vince Barazzone

**Staff Present:** Rhea Webster – Association Manager and Jeff MacDonald – Project Manager

**Property Owners and Guests Present:** Peter Holt

**Call to Order:** Gary Heal, President of the Board of Directors for the Drum Point Property Owners' Association (DPPOA), called the meeting to order at 7:00 p.m. He stated that the meeting is being recorded, and Robert’s Rules of Order govern the proceedings. He reminded all present to not speak until recognized by the Chair.

**President’s Remarks:** Gary Heal reported the following:

1. The final phase of re-paving on Deer Drive is complete (see report under Action Items).
2. The request for a public hearing on the creation of a new municipality, received approval from The Board of County Commissioners. The municipality, to be named Calvert Shores, would include the Chesapeake Ranch Estates and much of the surrounding area, including the Lusby town center. Drum Point, while not included in the planning at this time, could someday be annexed by the municipality. If approved, the municipality would have the right to levy additional taxes. Gary will attend the public hearing. The date for the public hearing has not yet been announced.
3. The Board of County Commissioners held a public meeting to review the Comprehensive Plan with members of the community. There is an unsubstantiated rumor that public utilities for the southern part of the County will be part of the plan. The cost of connecting one’s home to the public utility infrastructure would be borne by each property owner and could cost upwards of $18,000. The next public meeting will be held October 17th.
4. Gary requested approval of an amended agenda to include discussion of the approved Special Tax District Agreement. John Rovero made a motion to accept the new agenda. The motion was seconded and passed unanimously.

**Approval of Minutes:** Curt Larsen made a motion to approve the minutes of the September 13th meeting of the Board, previously distributed via e-mail. The motion was seconded and passed unanimously. The minutes were accepted as written.

**Public Comment:** None offered

**Office Report:** Rhea reported as follows:

1. Eight claims, for the collection of $3,058.00 in past due Covenant and Mandatory Assessment fees, have been filed in District Court.
2. The DPPOA and the Drum Point Club will hold a joint event to celebrate Oktoberfest, on October 29th at the Drum Point Club. Volunteers are needed to help set up, cook and clean up.
3. The request for the quarterly reimbursement of Special Tax District (STD) administrative and operating expenses for the second calendar quarter was submitted to the County finance office, in the amount of $4,376.88.

**Round Table:**

Paula Walker reported that the community library box (give a book – take a book) which is patterned after the one in front of the Lotus Café in Solomon’s Island has been delivered and will be installed in the front yard of the DPPOA office in the coming days.

**Committee Reports:**

**Action Items:** Jeff MacDonald reported the following:

1. The final phase of the re-paving of Deer Drive is complete. The shoulder edge backup work will begin within the week, once the contractor is finished with work he is doing in the Chesapeake Ranch Estates.
2. Repair of a swale on Parran Drive is not adequate and will have to be readdressed. The Scope of work included the creation of an inverted swale, 45’ in length, with cloth and rocks placed to ensure proper drainage. The contractor did not follow the Scope of Work in that the swale is approximately 35’ in length, and storm water is running beside, rather than down the length of the swale. Due to the need to extend the swale, the purchase of additional rocks may be necessary. Jeff and John Rovero will meet with the contractor, Grover’s Lawnscape.

**Roads Committee**

**Cardinal Drive:** John Rovero reported that there is a swale at 499 Cardinal Drive which is no longer functioning to direct storm water down the side of the street. The swale needs to be cleaned and re-graded. The rocks from the swale have washed down the hill and will need to be replaced, in order to help direct storm water down the length of the swale. The issue will be addressed, however, if the grass swale needs replanted, work may have to wait until spring. Jeff will draft a Scope of Work.

**Rejuvenation:** Gary Heal briefly explained that rejuvenation is a process which includes the application of a treatment which soaks into the asphalt and actually “rejuvenates” the asphalt rather than merely seal coating the asphalt. Rejuvenation can extend the life of a road up to an additional five to seven years. Our current maintenance strategy is to re-pave one mile of road each year. It is time to make a decision as to whether we should begin the next cycle of rejuvenation which, according to the rejuvenation schedule, could begin in 2017. The cost is approximately $45,000 for roughly a third of the roads in Drum Point and in the past, has been done in three phases. After discussion:

**Motion:** John Rovero made a motion to table the decision until the next fiscal year. The motion was seconded and passed unanimously.

**Finance:** The Balance Sheet, Profit and Loss Statement by Class and Profit and Loss – Budget to Actual reports were distributed. Jack Andre, Treasurer for the DPPOA, reported as follows:

1. The audit has been received from Toal, Griffith and Ragula. There were no major issues.
2. There is a need to move some funds to another bank in order to maintain a level in compliance with FDIC requirements (see discussion under New Business).
3. There are a number of property owners whose properties are in tax sale, are deceased or whose mail is being returned. These accounts are in arrears. The option of creating an item in the Chart of Accounts called “Allowance for Doubtful Accounts” was discussed. The goal would be to remove the continually accruing debt from Accounts Receivable, yet continue to show the amount on the balance sheet. Association fees would continue to accrue on these accounts, and efforts to collect would continue to the extent possible. Rhea will consult with the QuickBooks accountant at Toal, Griffith and Ragula on how best to proceed.

**Environment:** Tony Spakauskas stated that he contacted the Maryland Department of Natural Resources (DNR) regarding the eradication of Phragmites (an invasive species). A product called Rodeo is approved for application near water but must be applied by licensed professionals, pre-approved by DNR. For maximum effectiveness, it is best to apply the treatment between July and October. A study was conducted by Gary and Amy in prior years, which shows those areas most in need of treatment. The study will be forwarded to Tony who will continue to work with DNR.

**Planning Committee:** No report

**Safety Committee:** Peter Holt reported as follows:

1. With the upcoming winter season, the Community Safety Center, located in the DPPOA office, is in the process of assuring communication capabilities are up and running. The center can also function as a forward supply base for local EMT services and command post if needed during an emergency. The center will assess damage for purposes of cleanup and for reimbursement of any available FEMA funds.
2. There are three cameras operating at the beach.
3. The County will be offering another Community Emergency Response Team (CERT) course next week. There is no cost to take the course which offers training on basic first aid and emergency response.

**Welcoming Committee:** Paula Walker said that she will be scheduling a meeting of the committee in November. Options will be considered for the next newcomer welcoming event.

**Old Business:**

**Special Tax District Agreement:** The final draft of the agreement has been received from John Norris, the County Attorney. After brief discussion:

**Motion:** Gary Heal made a motion to formally accept the agreement. The motion was seconded and approved unanimously.

**New Business:**

**Bank Accounts:** As stated above, there is a need to move some funds from SunTrust Bank to another banking facility in order to remain under the $250,000.00 FDIC threshold for insurance at each institution. The following was noted:

1. Gary and Rhea met with a representative of PNC Bank, where two DPPOA accounts are currently held. The accounts currently held at PNC were updated with regard to administrative access and signatory power.
2. The PNC representative suggested the Association begin to pay its bills by credit card (then pay the balance on the card immediately). Doing this, versus the issuing of checks, would lessen the risk of fraud. If there is fraud with the use of a credit card, the bank does not hold the account holder responsible.
3. PNC can also provide a seamless link to their online banking which would provide an option in conjunction with our website for online bill pay by property owners. There is no fee for this service, and there is an option that would allow property owners to view their statement online. Hardcopy statements would continue to be issued from the DPPOA office for those people who do not engage in online banking.
4. PNC offers CD’s which rotate in their time of maturity. This allows for one of the CDs to be liquid on a continual basis. However, with interest rates so low, CDs are not necessarily a good investment option.
5. A spreadsheet with options for the amount to be transferred from SunTrust to PNC was distributed for review.

After discussion:

**Motion:** John Rovero made a motion to accept the spreadsheet provided (which shows the transfer of $189,783.73 (currently) from SunTrust Bank to PNC. The motion was seconded and passed unanimously. These funds are from the account which holds Covenant Fees and Mandatory Assessment money.

The next meeting of the Board is scheduled for November 8th at 7:00 p.m.

**Public Comment:** Peter Holt said that there is a hazardous collection day scheduled for November 12th at the Appeal Landfill. Paint, yard chemicals etc. can be brought to the landfill. There is also a yard sale scheduled for Saturday, the 15th at the Drum Point Club.

With no further business to discuss, John Rovero made a motion to adjourn. The motion was seconded, and the meeting adjourned at 8:55 p.m.