

Johnson's Island Road Commission

Minutes of Quarterly Meeting

Johnson Island Clubhouse

Saturday, August 9, 2014

Attendance:	Dave Klugman	Present
	Mike Kelty	Present
	Glenn Beachy	Present
	Lou Cardinale	Present
	Jim Erickson	Present
	Kevin Kirkpatrick	Absent
	Rick Schulz	Present

Residents in Attendance:

Gary Zdolshek	JIPOA Trustee
Bob Castele	JIPOA Trustee
Todd Kroehle	JIPOA Trustee
Sig Nachman	Non Member
Dave Nachman	Non Member
Jeff Neverman	JIPOA Prop Owner
Mary Ellen Neff	BHOA Trustee
Bob Speck	BHOA Trustee
David Miller	BHOA Prop Owner
Joan Sturgill	BHOA Trustee
Al Mazzeo	JIPOA Prop Owner
Ed Ibos	JIPOA Trustee
Mary Beth Eisman	BHOA Prop Owner
Harry Eisman	BHOA Prop Owner

The meeting was called to order by the president, Mr. Klugman.

Regular Business:

1. Dave opened the meeting with a discussion of Road Commission operations as defined by our charter, or the Operating Agreement. Spending priorities are defined as:
 - I. Administrative expenses, such as insurance
 - II. Bridge and Causeway maintenance and repairs
 - III. Maintenance of the "good" roads to keep them in good condition
 - IV. Maintain and Upgrade the "Bad" roads
 - V. Tollgate Improvements

The Road Commission is funded by the two HOAs on the island, and does not have authority to bill island residents directly.

2. In keeping with the defined responsibilities and priorities, the JIRC has contracted with outside Engineering Consultants to help with establishing long term plans:
 - I. Richland Engineering has been contracted to perform a Bridge and Causeway Inspection. This was initially done in 2007, and was updated in 2013.
 - II. Michael Benza & Associates has been contracted to perform a Roads Study, and provide a Master Plan. This was initially done in 2009, and is scheduled to be updated later this year.

3. Major 2014 Activities

- I. Bridge and Causeway work. This work is substantially complete. Rip- Rap work remains to be done around several of the abutments.
- II. Benza Road Master Plan update is will be performed this summer.

4. The gate report was presented by Lou, and is posted on the web site. Through August, receipts were \$7,926. This is \$34 less than was collected in 2013 through this date.

Gate down time due to problems with the dollar bill receiver have occurred several times in the last month. This unit has been replaced. However, it is older technology that is becoming increasingly difficult to maintain. Pat Keegan, who is a full time resident on the island, has agreed to be a contact person to help resolve gate problems quickly.

Lou has initiated steps to obtain prices for a new Card Reader/ Key Pad/ Money Handling unit. Note that this is a separate unit from the Gate Operating Mechanism, which has been performing reliably.

5. There was discussion of several recent accidents which occurred on the island:
 - I. The passenger who was injured on the motorcycle whose driver attempted to evade paying the \$2 toll has had her lawyer contact Bob Tucker, who is representing the Road Commission Pro Bono in this matter. Our insurance carrier has been notified of the incident. You can view the incident here: <http://youtu.be/OGDi3AJtdkk>
 - II. The teenager who was injured by a fall from a golf cart remains on life support. This incident occurred on the cull- de- sac at the end of Confederate drive.
6. Jeff Neverman reported on his Pro Bono review of the JIRC insurance policies which are in effect. There are two:
 - I. A standard General Liability policy, with \$1 million/ \$2 million limits. There is also an additional \$1 million umbrella policy. This insurance covers all property that JIRC is responsible for. Anyone who pays the Road Commission fee is covered by this insurance. This is a 3 year policy with Cincinnati. Jeff reported that this policy appears to be appropriate for our needs.

- II. Directors & Officers insurance, with \$1 million coverage. It is a one year policy with Travelers. This covers Commission members in the performance of official duties. Jeff reported that this policy appears to be appropriate for our needs.
7. The Treasurer's report was presented by Jim and is on the web site. Highlights for 2014 projected actual revenues and expenses:
- I. Revenues: \$ 118,854
 - II. Expenses: \$ 234,150 (\$ 184,000 of which was for causeway reconstruction)

The report included the 2015 Budget, along with the funding requests to JIPOA and BHOA for 2015.

It was noted that the third and final payment was due from JIPOA on July 31, 2014. A check for less than the full amount owed was sent to the Commission. JIPOA trustees agreed to reissue the check changing the notations from final payment to partial payment clarifying that it does not represent payment in full for amounts owed.

This led to a discussion of the status of payments due from the HOAs for the year 2014.

8. Bob Castele, JIPOA Trustee, reported to the Commission that there are a number of Johnson's Island residents that have not paid the Road Commission fee. Collection efforts are underway, but there is a group of 8 to 10 who have stated they will not pay. JIPOA has initiated legal action to collect. JIPOA stands behind their obligation to pay the full assessment to the JIRC as per the Operating Agreement, and has requested that they have until September 30 to resolve this issue.
9. Several BHOA Trustees and property owners expressed concern with this situation, as the obligations of the property owners in BHOA are much more clearly defined. BHOA is current with all Road Commission payments.
10. A discussion took place amongst all island groups regarding the status of the road commissions' 2015 budget request and the concerns about approval based upon JIPOA's non-compliance with the operating agreement.
- I. If approved – Dues increase by our scheduled 5% and the RC has normal operations for 2015 including a \$ 72,000 improvement project.
 - II. If not approved – Dues remain at 2014 levels and RC operations are restricted to only the first 3 items in section 1 herein.

Note – safety issues will always be addressed as need arises to keep all roads passable.

11. A Motion was proposed by Mike Kelty, and seconded by Lou Cardinale, as follows:

“The Road Commission will operate under the restrictions imposed under Section 6 of the Operating Agreement until such time as full payments of 2014 funds are received from both HOAs. This restricts expenditures to the first three of the defined priorities, which are also listed in Paragraph #1 above”.

The 6 JIRC Members present voted 6-0 to approve this motion. Dave Nachman, representing the Non- Member Group, also voted (in place of Kevin Kirkpatrick) to approve.

12. There was substantial discussion throughout the meeting among the various attendees about issues that are relevant to people and groups on the island today. However, these discussions included issues which were not on the JIRC agenda and are not official JIRC business. These discussions were constructive and hopefully will contribute to a better understanding among island residents relating to our obligations to each other.

The members of the Road Commission appreciate the support we have received from island residents. We strive to meet your expectations in a manner that serves all property owners.

There being no other business, Dave Klugman moved to end the meeting. All agreed.

Respectfully,
Glenn Beachy
Secretary, JIRC