

LAKE DETURK CONSERVANCY DISTRICT

Minutes of the March 6, 2012 Meeting of the Board

I. Call to Order / Roll Call

Meeting was called to order by Peter R. Foley

All board members were present:

Rod Baker, John McGauley, Anna Radue, Glen Russell, Dean Roberson

A few residents of the District were also present at the meeting.

II. Reading of Minutes: None

III. Reading and Signing of Claims (none)

IV. Reports (none)

V. Old Business (none)

VI. New Business

A. Organization of Board

Attorney Pete Foley explained the offices and positions to be filled by board members by statute. There was a motion by Anna Radue and seconded by Glen Russell to elect the following officers of the board:

Chairman- Dean Roberson

Vice chairman- John McGauley

Financial Clerk- Glen Russell

Secretary- Rodney Baker

Motion carried 5-0 and was approved.

B. Determine Bond for Financial Clerk

Attorney Pete Foley discussed the requirement that the financial clerk be bonded.

Mr. Foley had discussed the bond requirements with local insurance agent Steve McConnell.

Mr. McConnell had indicated he had written bonds for other

conservancy districts including Lake Edgewood Conservancy district and

recommended a bond sufficient to cover any receipts to be covered by a financial clerk. It was recommended that least a \$100,000.00 bond be required Mr.

McConnell quoted a one time premium of \$250.00 for a 3 year \$100,000.00 bond.

It was motioned by Dean Roberson and second by Rodney Baker to be approved for a bond for the financial clerk in the sum of \$100,000.00, as 3 year bond with a \$250.00 one time premium. The motion was passed 5-0. Mr. Foley did then

explain that he would file a Motion with the court for the court to approve the amount of the bond.

C. Fix Annual Meeting Date/Location

Mr. Foley discussed we need to set an annual meeting date this is required in the statute and by court order establishing the district. The board determined the annual meeting date shall be the 2nd Tuesday at 7:00 p.m. at a location to be determined. Motion by Rodney Baker and 2nd by Dean Roberson to approve an annual meeting date of the 2nd Tuesday of February at 7:00 p.m. The motion passed 5-0.

D. Closing With Ozark

Pete Foley discussed the closing with Ozark in order to resolve the settlement of a class action law suit. Under the settlement agreement Ozark will convey certain lots the dam and the lake to the conservancy district and the clerk will distribute funds in the amount of \$35,000.00. Mr. Foley recommended chairman Dean Roberson be authorized to accept the deed on behalf of the conservancy district and to have the deed recorded and otherwise participate in any capacity in the closing with Ozark, on behalf of the conservancy district. Mr. Foley also advised the conservancy district to approve the water use contract which was attached to the settlement agreement. Glen Russell in a motion seconded by Anna Radue to authorize Dean Roberson to undertake all action necessary on behalf of the district in order to close and settle the class action law suit. The motion carried 5-0.

E. Attorney's Fees

-Class Action case:

Mr. Foley explained the attorneys fees that had been incurred for representation in the Plaintiff class in the class action law suit would be paid from the funds currently being held by the clerk of the court. As part of the settlement Ozark contributed \$35,000.00. The current balance owed to Mr. Foley is \$24,123.73 the balance then would be distributed to the district. Mr. Foley indicated that he would be filing a petition with the class action court to approve his fees and be paid from the settlement funds.

E. Discussion of District Plan (by June 5, 2012)

Mr. Foley briefly outlined the necessary requirements for the district plan under the court ordered establishing the district and statute the plan is to be completed on or before June 5, 2012 an extension could be obtained if necessary. Mr. Foley indicated it would be a good idea to have Mr. Holloway, the engineer to attend the next board meeting to further explain and review what is necessary to complete the district plan.

F. 2012 Budget:

Mr. Foley discussed the need to have funds for a budget before property tax assessments are collected in June or July 2013. There are two options, 1) to borrow funds from County or 2) to borrow funds from a bank.

Mr. Foley briefly described the budget proceedings for the conservancy district. For the current year there will be no revenue, other than the settlement funds, on

which the district can operate. The district has two options for revenue, they can either borrow money from the county general fund, at no interest, or borrow funds commercially and pay fees and interest. If the monies are borrowed from the county fund they will be repaid as the assessment revenue from the May and November tax assessment. As the board had a consensus, the first choice would be to borrow funds from the county.

The board also discussed some of the initial work that would have to be completed by the district which would include forming a policy for a use of the lake and or amenities, mowing, lake treatments, signage, insurance and trespass issues.

VII. Next Meeting Time/Date/Location

The board tentatively set the next meeting date for March 20th at 7:00 p.m., at a location to be determined.

VIII. Adjournment

Motion by Anna Radue second by Rodney Baker to adjourn and the meeting was adjourned at 8:20 p.m.