

BOG Meeting October 9, 2023

In attendance in person: President Beau Breeden, Governors Cheri Fairchild, Ed Hayes, Mary Lamb, Neil Macindoe, Marissa Mirani, Kim Pollack, Michele Shipley, Jerome Zadera, Budget Committee members Thor Harris and Charlie Shoul and guests Steve Arnold, Becky Benner, Scott Maynard and Kevin Watts. In attendance online: Governors Joe Angel and Jennifer Connor.

President Breeden called the meeting to order at 7:34 pm, quickly introduced the board members and then gave an overview of the agenda. He thanked the budget committee and others who worked diligently to create the proposed budget which will be presented to the community at the October Quarterly Membership meeting on October 24. He also thanked Governor Lamb for a successful movie night. With Halloween coming, he asked everyone to be aware of trick or treaters and drive carefully.

MINUTES AND FINANCIAL STATEMENTS

Minutes of the September 11, 2023 BOG meeting were reviewed. A motion to approve the minutes was made by Governor Fairchild, seconded by Governor Shipley, and approved unanimously.

The financial statements for August 2023 were reviewed. A motion to accept was made by Governor Lamb and seconded by Governor Mirani. President Breeden noted that it was the second month of fiscal year 2024 (FY24). Cash balances of the CSCIA bank accounts are about \$155K for the operating funds of the corporation, \$203K in beach project funds, \$246K in piers operating/capital improvement funds, and the Special Community Benefits District (SCBD) operating funds of about \$195K. The motion passed unanimously.

TOWN MANAGER REPORT

President Breeden read Town Manager Tewey's submitted report as Mr. Tewey could not attend.

The Capital Reserve Study subcommittee suggested edits to be made by Miller+Dodson. A final version was provided to the board.

Office Administrator Coble was commended for her excellent work, including the recent preparation of land use/riparian letters.

The clubhouse is booked for all Saturdays and Sundays through the end of the year.

Mr. Tewey and President Breeden attended Little Magothy River Association (LMRA) meeting regarding dredging of Little Magothy River.

The budget committee met on September 25 to finalize the proposed budget. It was completed as a balanced budget subject to change based on the Capital Reserve study figures.

Security officers are covering 20 of 31 shifts.

The first Movie Night on the Beach was held on September 29, sponsored by Til Next Time hair salon, and was very successful. Beach attendants were offered employment for that night, but none accepted.

The maintenance crew replaced boards at the piers as needed and installed throw rings and safety ladders.

One standard building request and one pier/bulkhead request were received and are being reviewed.

CSCIA prepared written testimony regarding county bill 69-23, which establishes a process for written notice of changes to zoning, asking for a longer timeframe for required sign postings from 5 days to between 15-30.

COMMITTEE REPORTS

Broadneck Council of Communities (BCC): No report.

Beaches & Parks: Governor Macindoe said the beaches held up well during the recent nor'easter storm. He is unavailable to close the beaches this weekend when police are not scheduled, and Governor Lamb volunteered to cover.

Business Lot Owners Association (BLOA): Governor Zadera reported the tax reimbursement was received from the BLOA.

Building: See Town Manager report.

Budget: Governor Zadera said the Special Community Benefit District (SCBD) audit was completed by Klosterman & Associates and submitted to the county.

Caper: Governor Lamb said the Caper was mailed today and should arrive at homes this week.

Clubhouse: Governor Lamb reported weekend rentals are booked for the year.

Events: Governor Lamb said there is a definite demand for Movie Night events, the first was well attended and enjoyed by all. Joe from Til Next Time was pleased to sponsor and will sponsor the next one, Hocus Pocus to be shown October 29. If the weather permits, Davy Dance Studio will sponsor Home Alone in November. Halloween Happenings will be held October 21 at the clubhouse field and Trick or Treating at the shopping center will be October 26.

Grants: No report.

Legislative: See Town Manager report.

Piers: President Breeden reported the last pier meeting of the year was held with about 13 people in attendance. The pier budget was approved, with agreement on the 60/40 split between piers and the general community for the Capital Reserve regarding marina/pier assets. Water at the piers will be turned off and winterized in late November. The recent nor'easter storm caused some damage at Lake Claire by boats that became unsecure. Water and power were shut off when the water level got to the bottom of the piers. It was left on longer at Little Magothy pier to allow Brad Knopf to move oysters before power to the nursery was turned off.

Security: See Town Manager report.

Strawberry Festival: Governor Lamb said planning continues.

Technology: No report.

OLD BUSINESS

President Breeden explained the new Maryland law requiring Homeowner Associations to conduct a Capital Reserve Study to create a savings plan that will allow for total funding of all community owned asset replacement. The firm of Miller+Dodson was contracted to complete the study by the October 1, 2023 deadline. Representatives inventoried and photographed all physical CSCIA assets: clubhouse, playgrounds, piers, fences, bulkheads, sheds, pumphouses, parking lots, pavers, flagpole, oyster reefs, etc., etc. The resulting report is 124 pages of descriptions and photos, life expectancies of each asset, expected replacement costs and schedules, and recommends \$78,059 savings per year in a reserve fund to cover the full replacement value of about \$2.1 million in assets by the planned end of the savings period of 30 years. With savings required in 2024, but not part of the FY24 budget, the state approved \$87,742/yr for CSCIA to be on track. In addition, piers will supply \$38,850 for 2024 and \$41,181 in FY25. The piers have typically been self-funded but are an asset to the whole community, so the piers committee agreed to fund 60% of the savings for pier assets and the remaining 40% will be part of the general budget. The shopping center and swim club/pool are excluded as deeds document agreement that the responsibility of maintaining and replacing those lies with the BLOA and Swim Club. The study must be updated every three years or after any major improvement. Governor Shipley made a motion to approve the report, Governor Fairchild seconded, and the motion passed unanimously.

President Breeden presented the proposed FY25 budget. He explained that as an SCBD, fees are collected by the county through the annual property tax bills. The current assessment is \$210/yr with a cap of \$225 that cannot be increased two years in a row. It did not increase for FY24. There are 2,537 lots in the Cape but only about 2,300 are taxable. With inflation, changes to minimum wage and small business exemption laws, utility increases, staff pay increases and the reserve study requirements, expenses are budgeted at \$923,000. With carryover from FY23, expected clubhouse rentals, Caper advertising, pier rentals, etc., the amount needed to balance the budget through lot fees is \$270/yr. Of the \$60 increase, \$45 is for the reserve study and \$15 for normal operations. A motion to accept the proposed budget as written was made by Governor Lamb and seconded by Governor Zadera. Discussion followed about the changes needed to balance the budget after the final reserve study numbers were included. A motion was made by Governor Zadera to amend the first motion to include an adjustment to reduce the legal fees expense line item by \$1,347 to balance the budget. It was seconded by Governor Pollack and passed unanimously. The budget will be presented at the October 24 Quarterly meeting and published in the November/December Caper. It will be voted on at the January annual meeting. The proposed new cap is \$300/yr to allow for the increase for FY25 and potential inflationary or emergency increases for FY26 as it cannot be increased next year.

President Breeden and Town Manager Tewey attended a special meeting with the Little Magothy River Association (LMRA) regarding dredging of the Little Magothy River. LRMA received a \$900,000 state grant for waterway improvement. They plan two separate dredges. The larger dredge from the mouth of the river to the buoys would be about 1,700 ft long by 50 ft wide and result in 5,000-7,000 yd³ of sand. With features in place to contain it, we could receive that sand. That dredge is planned for winter of 2024-2025. Due to issues with the walls of the inlet, a smaller dredge is planned for this winter to remove about 500 yd³ of sand and place it on the main beach beyond the small groin towards the inlet. Per BioHabitats, a new survey will be required due to new retaining walls being constructed since the original permitting. During earlier discussions of this dredge, \$50,000 from the beach project funds was approved for use in permitting and placing sand. The estimate received by LMRA is higher than expected so it will be put out for bid again. The board does not plan to increase the amount allocated and hopes to negotiate to keep the survey, permitting, and sand placement within the \$50,000 limit.

Revisions of the Bylaws and Articles of Incorporation are necessary to comply with changes to laws. The original articles were created in 1949 and last changed in 1959 when Cape St Claire Club changed to Cape St. Claire Improvement Association. The Board of Governors, not the general membership, can amend and will discuss changes in closed session. Amendments to the Special Community Benefits District agreement with the county will be needed also to allow for long-term savings as required by Maryland.

NEW BUSINESS

Governor Lamb presented the application by the Cape St Claire Elementary School Parent Teacher Organization (PTO) to be a Cape Recognized Organization. Cape Recognized Organizations are given discounted rates for clubhouse rentals for meetings and events and must have membership of at least 80% Cape residents. Applications must be resubmitted each year and include a list of members

complete with addresses. The list provided by the PTO includes 81% Cape residents. A motion to approve the application was made by Governor Lamb, seconded by Governor Fairchild and passed with one dissent.

Nine submissions for the Cape Calendar Photo Contest were presented and voting ensued. The photo entitled "Peaceful Sunset on the Magothy" was announced as the winner.

COMMENTS

Becky Benner announced the Goshen Farm Harvest Pasta dinner on October 14 at Gloria Dei Church from 5 to 8 pm.

Stacy Wildberger's notes from the Cape Conservation Corps (CCC) were read by Governor Connor as Mrs. Wildberger was unable to attend. CCC thanks Jess, Charlie and the Broadneck Bluegrass for their music event on October 8, and for the proceeds from the raffle. The plein air art event at Little Magothy beach will be October 15 and all are welcome. Artwork created that day will be donated to CCC for their silent auction on November 3, at the oyster speaker event featuring David Sivorski from Coastal Conservation. Silent auction runs 6-7 pm and Mr. Sivorski will discuss oyster restoration from 7-8 pm. Broadneck Grill will hold a fundraiser on October 18 with 10% of proceeds from 5-9 pm donated to CCC. Trees and shrubs acquired with the Unity Grant will be planted October 21 at Little Magothy Beach and October 28 at Serene Ravine. Wednesday Weed Warriors continue 5-7pm weeding and will mulch paths in November.

ADJOURNMENT

A motion was made by Governor Shipley to adjourn to closed session, seconded by Governor Fairchild and approved unanimously. The meeting was adjourned to closed session at 9:03 pm. The closed session occurred from 9:07 pm to 9:52 pm. The October 9, 2023 CSCIA Board of Governors meeting was adjourned at 9:52 pm.