

**BURNT STORE LAKES PROPERTY OWNER'S ASSOCIATION
MINUTES OF MEETING
HELD AT THE BURNT STORE PRESBYTERIAN CHURCH
11330 BURNT STORE ROAD
PUNTA GORDA, FL 33955**

February 12, 2008

CALL TO ORDER, PROOF OF NOTICE and ROLL CALL

President Jim Brown called the Board of Directors meeting to order at 6:00 p.m. Secretary Sandy Funk announced that the meeting Notice and Agenda were posted on 2/8/08. Both postings meet the guidelines as set forth in the BSLPOA By-laws. Sandy took roll call of the Board members as follows: Jim Brown, President; Peg Varga, Vice President; Bill Fruit, Treasurer; Steve Steidel, Rob Hancik, Scott Pitser, and Dave Chilcote, Directors at Large were present.

Public Input: None

DISPOSITION OF MINUTES

Jim asked if there were any additions or corrections to the minutes of the regularly scheduled Board meeting held on January 8, 2008. There being no corrections or additions, the minutes were accepted by unanimous consent.

TREASURER'S REPORT – Bill Fruit

Bill reported that as of January 31, 2007, the accounts are in balance. Our cash position as of 1/31/07 is \$607,365.07 with January collections at \$46,473.69. January disbursements were \$24,625.86 and all year to date expenses are within budget. Assessments receivable as of 2/11/08 is \$73,656.87. This equates to approximately an 83% collection rate. Bill stated that the collection rate is approximate due to 2-years and over delinquencies and that effect the calculations. Complete copies of the January financial report are on file in the office. Bill submitted the financials and recommended acceptance for review. Jim asked if there were any objections or comments. There being none and by unanimous consent the Treasurer's Report will be sent forward for audit.

Bill stated that he and Jim met with Reed LaPlante of Wachovia Bank this afternoon regarding the current interest rate on our not-for-profit Association funds. We were told that our interest rate is dropping due to the Money Market in general, and that our particular type of account is tied to 90-day Treasury Bills, which is influenced by the Federal Reserve cutting rates. We are now earning a little over 2%. Mr. LaPlante was impressed with the accounting and financial stability of our Association, and very willing to continue working with us in his position with Wachovia as Relationship Manager.

Bill discussed with Mr. LaPlante that there might be a time in the future where the Association may want to borrow funds. Bill offered to send him copies of our financial statements on a tickler and regular annual basis. The bank can then monitor our cash and reserve position and advise us relative to what other types of investment vehicles could be utilized in addition to our special type of checking account for not-for-profit organizations. Bill pointed out that we must maintain a certain level of liquidity, which he feels we can do and earn a rate commensurate with the CD rate that is around 4.15% (set monthly). These rates are also dropping. Bill asked the Board for permission to send Mr. LaPlante copies of our financial statements. After discussion, Bill Fruit made a motion to have Webb-Lorah send Mr. LaPlante two years of financial statements and put him on a tickler basis for statements each year to begin the monitoring process. Peg Varga seconded the motion. ***The motion passed unanimously with Brown, Varga, Fruit, Hancik, Pitser, and Steidel and Chilcote voting aye.*** Sandy noted that extra bound copies of these financial reports are available in the office for mailing to Mr. LaPlante.

Bankruptcy/Foreclosure: Legal Costs vs. Benefit – Sandy reported to the Board that the legal costs involved for responding to motions, etc. for foreclosures and bankruptcies, may cost in excess of the assessments owed the Association even though liens are filed. A lengthy discussion ensued on are ability or inability to collect the assessments and recoup legal fees. Bill questioned why, and suggested obtaining another opinion. Rob suggested asking a title company vs. another attorney. After further discussion, Bill stated we might have to set up a line item on the budget for bad debts to cover these expenses. Jim stated we would defer this item until more information is obtained and place on March's Agenda.

OLD BUSINESS:

ARCHITECTURAL (ARC) – Peg Varga

Peg reported that the owners of Tract 911 (Nazarian) withdrew their petition to change the zoning from residential multi-family to commercial.

Peg attended the January 11th Zoning Hearing regarding Punta Dorada's request for a zoning height change to 48 feet. The height change requested and approved by the Zoning Board is in accordance with the negotiated settlement with Punta Dorada in December 2006. Peg spoke with their attorney and representative (Pedro Nunez) and gave Mr. Nunez a new construction application as well as other Association requirements that must be submitted at the same time as application is made to DRC (in accordance with the December 2006 agreement).

Peg reiterated that we met in January with Charlotte Development Corporation (CDC) regarding plans to build a gas station, convenience store and 'some' retail stores on Tracts D & E located north of Cape Horn. She stated that one of the main concerns is an entrance into the center from Cape Horn as it relates to the redesign of the entrance. As agreed to at January's Board Meeting, Jim wrote a follow up letter to CDC regarding maintaining an upscale community and property values. He also asked that proposed plans and filings be reviewed and approved by ARC prior to moving forward with the

project. Jim read an excerpt from his letter and stressed the importance that any road placement does not detract from our community.

Peg stated we have received a legal opinion regarding assessment collection on condominium complexes. She explained the background and history of the deed restrictions and amendments made by the developer (PGI, Inc.). Since some of the multi-family lots are affected, she will make a recommendation to the Board next month that should resolve the situation. It was noted that Mr. Shields did not specifically address our question in his opinion. Office staff will go back for a specific answer and request that no legal fee be charged. Bill suggested we address association fees at the time of plan submission and review by ARC and prior to written condominium documents. Peg will look into this. A lengthy discussion ensued on various situations of ownership with Peg pointing out that there is also one vote per assessment to be considered.

Peg reviewed the Charlotte County permit and inspection process by stating that a building permit does not expire until six months has elapsed between inspections, therefore prolonging the completion of homes under construction. ARC is looking into how to proactively reach more people prior to them selecting a builder and submission of an application to more fully understand the building process and work with the Association. Jim stated that he would like to approach the County Commissioners through the SCCC to develop a resolution to the problem.

BEAUTIFICATION AND ENHANCEMENT – Rob Hancik

Rob reported that the committee met on January 22nd. They reviewed old and new items including replacement signage. They also discussed a plant rotation program in the roundabouts, i.e., using potted plants in addition to existing vegetation on a rotating basis. However, there is an issue with volunteers working in the roundabouts (County property and liability). The next meeting scheduled for February 12th was cancelled and will be re-scheduled for next week. The Committee will send a representative to the Long Range Planning Committee.

LAKES QUALITY AND MAINTENANCE – Scott Pitser

Scott reported that he met with Denny Kunish of Aquatic Systems on 1/29 to discuss aquatic littoral plantings and midge control. It was determined that overall, the littoral plantings were unsuccessful. The types of plants chosen, other than the Spike Rush, were apparently not appropriate for our lakes. The Pickerel Weed is very susceptible to “stunting” by aquatic vegetation spray, i.e., when the wind direction changes, it blows (wave action) the spray/algae into the Pickerel Weed, which burns the leaves and stunts the growth. The Cannas did not do well at all. Aquatic Systems plans on planting experimental plants (Duck Potato) on about eight (8) properties at no cost. The Duck Potato is a much taller and hardier weed not affected by algae spray that may move across the lakes due to wind direction changes. They are also going to plant additional Spike Rush. They will photograph the 8 properties every 25 days to see if the new plantings are successful. If they are successful, they will go back those individuals who have expressed an interest and plant these littorals (in March).

Scott reported that the Committee is going to concentrate on treating the midges on Pelican, Heron, and Eagle Lakes, through stocking of shell cracker (blue gill) fish at the rate of 250-300 fingerlings/acre in March. The fish will feed on the midge larvae and adults. ***Based upon a proposal submitted by Aquatic Systems, Scott Pitser made a motion to approve funds not to exceed \$11,500 for stocking of 2-5" fingerling shell cracker fish in Heron (9,600 fingerlings) and Eagle (12,600 fingerlings) Lakes for the purpose of midge control.*** Rob Hancik seconded the motion. During the discussion, Bill commented on the positive condition of the lakes, return of animal life (ducks, etc.). Jim commented that several years ago a previous Board banned the planting of cattails that aid in oxygen depletion. Peg stated that the problem was compounded by the fact that the dead cattails were not removed after spraying which hindered the health of the lakes and aided in the midge population. Bill also pointed out that another reason for the midge problem was the decreased oxygen levels in the lakes due to inadequate lake aeration that has now been corrected. Peg pointed out that each lake must be treated differently, i.e., Kingfisher does not have the same midge problem in comparison to many of the other lakes. ***The motion passed unanimously with Brown, Varga, Fruit, Hancik, Pitser, and Steidel and Chilcote voting aye, pending completion of the Proposal Summary.***

Scott stated that Aquatic Systems is going to give us a proposal to spray for the red midges in the lake fingers. The previous chemical spraying was not effective in those areas deeper than 5-6 feet (where most of the spraying was done). Scott will bring a proposal to the Board Meeting in March.

Riprap Request: On behalf of the property owners at 17087 Monza (Brenda Powell), Scott asked for approval for them to riprap the lake bank behind their property similar to that done by Guenter Kallweit on Torreón. Scott made a motion to grant the Powell's permission to riprap behind their property (by Rightway) pending a written request with drawing from the property owners. Peg seconded the motion. ***The motion passed unanimously with Brown, Varga, Fruit, Hancik, Pitser, and Steidel and Chilcote voting aye.***

MECHANICAL & MAINTENANCE – Bill Fruit & Scott Pitser

A Proposal Summary for two areas requiring drainage work was presented for approval. ***Scott Pitser made a motion to approve clean out, reshape ditch/canal and reseed Osprey drainage ditch/canal from Vellum (east of Cape Horn) to Burnt Store at a cost of \$11,800; and excavate/clean out lake finger behind Block 921, Lots 1, 2 & 3 at Huancay Lane and Egret Lake off Santa Inez at a cost of \$900. Both areas are as outlined during a field trip with BTR in January. Steve Steidel seconded the motion.*** Discussion ensued on whether Charlotte County Utilities (CCU) has contributed to the silt problem since the water/waste treatment plant is across Burnt Store Road from this canal. It was noted that CCU has previously installed riprap on the west side in the County right of way. Peg stated that drainage work has not been done on this portion of the canal in approximately 30 years. Scott stated that he was sure that no one will tell us that we will not get a silting effect on any of our drainage ditches or our waterway. It's an occurrence that will be there—especially with the increased development. Jim noted that we are expending a lot of dollars on drainage. Peg

mentioned that it is good program for us to review and address drainage problems on a rotating basis. Jim suggested that we write a letter to CCU advising them of our drainage plans in this canal across from their complex on the east side of Burnt Store Road to document our concerns in the event there is a problem in the future. Rob noted that the design of CCU's facility has to take into account the control of water flow, and if they do not, those downstream could come back to them for resolution. It was decided to go on record now. ***The motion passed unanimously with Brown, Varga, Fruit, Hancik, Pitser, and Steidel and Chilcote voting aye.*** Sandy noted that after this expenditure we will have depleted the funds in the drainage line item of the operating budget (\$10,000), and \$9,700 of the drainage reserves (\$25,000), leaving a balance in the drainage reserves of \$15,300. Sandy also reported that All Lots Bushhogging will be on site next week to mow the drainage ditches in accordance with the contract.

LONG RANGE PLANNING (LRP) – Jim Brown

Jim reported that LRP met on January 29th. Their discussion centered on providing play equipment in the park. The Committee recommended that a sub-committee be formed to further develop the play equipment needs in the park. Flo Norsell was in attendance, representing the Beautification & Enhancement Committee. Planning for park improvements crosses over into Beautification & Enhancement necessitating a joint effort of the two committees. Also discussed were the redesign of the front entrance and the widening of Burnt Store Road as it relates to Rio Togas Road. Frank Bishop made some comments about underground electric. He is trying to set up a meeting with the County to discuss funding options. Rob stated that the addition of a second pavilion in the park next to the existing one has been approved; however, he feels that the Board should not proceed with purchasing any type of equipment or go forward with other improvements until a professional (i.e., an architect) "master plan" is developed for the park.

COMMUNITY STANDARDS – All

The Board reviewed the monthly report prepared by Celeste. Jim stated that he would like to pursue the cleaning of mildewed driveways. In checking with CCU, there are currently no restrictions regulating power washing of driveways and/or roofs. It was suggested to send out a notice to the property owners, i.e., through the "Grapevine". Bill stated there is a process for cleaning the tile roof other than power washing. It was decided to obtain more information about this method prior to sending out a notice.

Jim reported that he wrote a letter to Shawn Horton (County Code) regarding the excessive length of time it is taking for fencing compliance around the pool on Pyrenees. He also copied Jeanette Knowlton (County Attorney) pointing out the liability exposure in this situation. Code Compliance contacted Celeste today and stated that she would be meeting with the head of Code Compliance this afternoon. She sent the property owner a letter today giving 15 days for compliance, after which he must appear before the Code Compliance Board—no more extensions will be granted. Vince LaPorta (County Building Dept.) is involved in the case as well. There are other building code issues involved as well as the lack of pool fencing/cage.

Peg reported that the Lambert landscaping around the fence is adequate.

COMMUNICATIONS – Steve Steidel

Steve reported that while preparing a CIN message regarding the Fire/EMS Agreement between Charlotte County and the City of Cape Coral, there appears to be an area of question in that it states the Agreement would be activated when a call comes in from an area within one mile of the Lee County line. The furthest reaches of Burnt Store Lakes are probably within 2-1/2 miles to where it butts up against Pirate Harbor (San Edmundo). He stated that one of the insurance companies refused to write a policy with the new and improved zone protection district because the house was further than one mile from the Lee County line. Steve contacted the Deputy Fire Chief (Lopez) and gave him the address of the house furthest away from the Lee County line. He (Lopez) ran the address through their computer and stated that they would respond to a call from this address. Steve explained that 700 square miles of Charlotte County is built into grids to tell fire/EMS where the call is coming from. One grid is approximately one square mile. There is confusion in that the Agreement states within one mile, which guides the insurance companies in their zone classification, and that of the Deputy Fire Chief state they would respond. The insurance companies will not change the zone classification until they are assured the Mutual Aid Agreement is actually in place to cover the distance that may be over the one-mile stipulation. Steve spoke with an insurance agency today that indicated they would need a letter from the Charlotte County Fire Services stating that no matter where you are in Burnt Store Lakes, Cape Coral would respond. Steve stated the Deputy Fire Chief is willing to write the letter. Jim commended Steve on his aggressive action to resolve this problem.

Steve reported that two CIN messages were sent out last month—Long Range Planning survey; and revised irrigation schedule. He has delayed posting a message regarding the postponement of the Emergency Preparedness Meeting originally scheduled for February 1st. The same situation has occurred with the CERT training program (cancelled). He will work with Dave Chilcote in getting another message out when new dates have been confirmed.

SAFETY & SECURITY – Dave Chilcote

Dave reported that Wayne Sallade had to cancel the February 1st Emergency Preparedness meeting due to a scheduling conflict. Dave will arrange to reschedule the meeting for sometime near the end of March, and suggested we get the word out to others along the Burnt Store corridor.

Dave stated that only nine (9) people signed up for the CERT Training Program scheduled for March 6, 13, 20 & 27th. Wayne Sallade has turned the program over to Robert Price. Mr. Price has told us that the four (4) sessions has now been accelerated into eight (8) days (two sessions/week). Dave emphasized that notification must get to those in the Burnt Store Corridor. It was the consensus of opinion that there may be difficulty in getting participants to attend 8 sessions vs. 4 sessions. Rob and Dave suggested that we contact Mr. Price to find out when he will be conducting another 8

day CERT Training Program in the area for another community so that residents in the Burnt Store Corridor could join that group of training sessions.

COUNTY RELATED ITEMS

South Charlotte County Coalition (SCCC) – Jim Brown, Liaison

Jim reported that the SCCC set goals for 2008. They did not have a speaker for their January 24th meeting. They have scheduled the CEO of Charlotte Medical Center as the speaker for their February 28th meeting. Rob Hancik will be co-attending the MPO (Metropolitan Planning Organization) meetings with Ed Zapke. Jim stated that the MPO has a lot of say in where money goes for the roads.

MSBU Advisory Board – Rob Hancik

Rob reported that the Advisory Board held their second meeting on January 10th at the DPW with Dawn Harrison. We are still in the learning stages and have asked for a lot of financial reports relating to the work that has been done in the MSBU by work order to make sure non items haven't been charged to our account. We are waiting for a copy of the budget for 2009-2010. We discussed the possible consolidation of all the MSBU's into just three MSBU's. An independent company is currently conducting a study for the County Commissioners. The next meeting will be scheduled for sometime in March, at which time we should have copies of the budget.

Cape Horn Entranceway – All

Jim read an email from Tom O'Kane (DPW) in answer to our inquiry regarding the park road entrance from Burnt Store Road (BSR) in the event the road is widened. Mr. O'Kane stated that an alternative park access would have to come from Rio Togas Road due to the possibility of the existing access area being utilized for storm water ponding. However, he stated we are still a number of years away from funding a widening project at the southern end of BSR, and until such time, the existing park access point can remain. Jim read his response reiterating the funding problems and that the timing of any road widening is more realistically around the year 2014. He also questioned the ponding issue when there have been no plans to widen BSR south of Zemel Road. Jim asked for a meeting with Tom O'Kane and the Board to discuss the road widening. It has been scheduled for February 28th. Rob stated that irrespective of when BSR is widened, we should proceed with the redesign of the Cape Horn entrance that we have been funding through our MSBU for the past four years. He also stated that the funds in our budget reserves (\$30,000) are for entry walls, signage, etc., and that the MSBU funds will pay for the entranceway. He suggested going forward even though CDC may have future plans to access their property from this area. That can be resolved and funded later by CDC. The park access can be planned for in the future in anticipation of the road widening, and coupling it with what the ultimate access is going to be, i.e., bring children into the park, etc. Mr. O'Kane has prepared and supplied the

Board with a sketch that gives us an envelope where the sign, median, and landscaping can be placed without interfering with the future widening of BSR.

A lengthy discussion then ensued on retention ponding in conjunction with the road widening, no plans to widen south of Zemel, questions regarding the sketch received for the entrance re-design, the amount of funds accumulated in the MSBU for the entranceway (approx. \$121,000), what happens to any surplus funds in the MSBU at the end of the entranceway project (will be reallocated), and whether we actually need to meet with the County on 2/28. As a result of the discussion, it was decided to cancel the 2/28 meeting. Rob suggested sending Tom O’Kane a letter stating that we would like to convene with the County when the Cape Horn entranceway drawings are approximately 40% completed.

OTHER ITEMS

Underground Electric Policy: Peg has nothing to report on a new construction policy for underground electric.

Security Opinion: Due to liability issues, etc., we have been advised by legal to avoid providing a rental for security purposes. Legal recommends hiring off-duty sheriff deputies for patrolling purposes. Funds are budgeted (\$5000) for engaging the services of a deputy. Discussion ensued on reasons for increased patrol of the community. It was suggested that Dave Chilcote meet with Dave Prins and law enforcement officers to discuss off duty deputy patrols.

Benefit Fund Raising: A resident, Jim Morris, has offered to perform in concert as part of a fund raising effort for park equipment, etc. Accounting for raised funds was discussed. Peg and Rob stated that we need a Long Range Planning “Master Plan” before we commit to purchasing playground equipment, etc. The Board was very receptive to the generous offer and would like to pursue a benefit sometime in the future after development of a master plan. As per Rob’s comment, a letter will be sent to Jim Morris thanking him for his offer to perform in order to raise funds for community recreational equipment.

Monthly Potluck: Karen Bishop is looking for sponsors, and suggested each of the various Committees take a month. It was decided to provide Karen with a list of the Committees and their chairpersons for her to contact and arrange for sponsorships.

Liability Insurance: The office received a fax from American States informing us that they are not renewing our policy that expires on February 25, 2008. Our agent, Oswald Tripp, is researching other companies and assured us that we will have coverage.

Office Space – Response from SJDS: Our landlord (SJDS) was approached about renting the vacated space (by Executive Title) in our existing building. It is not cost effective since we would not only have a substantial increase in rent, but would also have to absorb the cost of electricity. Another facility will be investigated and results brought back to the Board for consideration. Bill has also repeatedly attempted to obtain a written renewal lease from SJDS.

Boat Ramp Update: Bill Fruit stated that he had nothing to report at this time.

NEW BUSINESS

Scott Pitser asked Steve about utilizing the “Grapevine” communications system to let our property owners know that there are public ramps available for kayaking—specifically one in Pirate Harbor. This information is available in the Charlotte County Parks & Recreation brochure. Steve will look into drafting a “Grapevine” communication.

Jim updated the Board on the golf course situation in Burnt Store Marina.

Sandy asked if one of the Board members would respond to questions received in an email from a property owner.

ADJOURN

Steve Steidel moved to adjourn the meeting at 9:00 p.m. that was seconded by Rob Hancik. ***The motion passed unanimously with Brown, Varga, Fruit, Hancik, Pitser, and Steidel and Chilcote voting aye.***

OPEN FORUM

David Pears asked if we had an outside auditor who reviews our financial records. The Board responded in the affirmative and provided him with the auditor’s name that reviews and reports on an annual basis. Mr. Pears also stated there was not any mentioning in the Minutes that boat ramp permits were applied for. He was informed that if discussed at a Board Meeting it was recorded in the Minutes and that all Board minutes are posted on the website for a year. Mr. Pears continued to comment and criticize the Board on various boat ramp issues.

Open forum ended at 9:15 p.m.

Respectively submitted,

Sandy Funk, Secretary
To the Board of Directors

February 26, 2008

Note: The next regular meeting of the Board of Directors is scheduled for **Tuesday, March 11, 2008** at **6:00 p.m.** at the Burnt Store Presbyterian Church, 11330 Burnt Store Road, Punta Gorda FL.