

These minutes are a draft of the Board Meeting Minutes and will not become a part of the Association's formal records until they are approved by the Board at the next regular meeting. They are provided in advance of approval as a courtesy to the Association membership.

**MALA Board of Directors' Meeting Minutes
June 9, 2009**

Ben Jackson, President, called the meeting to order in the Clarksville Public Library at 7:03 p.m.

Present: Richard Allen, Phillip Beck, Jerry Billingsley, Clinton Dalton, Cathy D'Amato, Martha Day, FJ Hale, John Gilmore, Kevin Hensley, Chris Henry, Ben Jackson, Greg Sansing, Tim Tetreault, Billy Wells, Bob Wenning, Richard Wikle, Bill Woodfin

Excused: Mike Cottrell

Absent: Jerre Mabrey

Observers: Nola Adler, Joanne Gilmore, John Stinson, Dewitt Vanarsdale

The minutes of the April 14, 2009, Board Meeting, having been distributed to the Board and posted on the Association website, were approved as written. The motion made to approve the April 14, 2009, minutes was seconded and accepted without dissent.

Treasurer's Report. Copies of the Operating Statement for January through May 2009 were distributed and discussed. The motion made to approve the Treasurer's Report was seconded and accepted without dissent.

Old Business:

President's Report. The MALA Runway Safety Rules and Regulations has been edited to incorporate comments received from the membership. Where to find the storage container with the emergency marker was discussed. The Aviation Chairman advised that the emergency marker is in the keeping of the Maintenance Contractor. The Runway Rule will be finalized at the next Board meeting.

The motion was made to table the suggested revised Bylaws until the August 11 Board meeting. Instead, following lengthy discussion, the motion was made, seconded, and passed 14 to 0 that before the next Board meeting August 11 non-mandatory Board members Richard Wikle, Richard Allen, and Phil Beck get a reading on whether or not non-mandatory units, RP 1 in particular, would entertain annexation by Merifield Acres, Inc. The suggested revised MALA Bylaws will be on the August 11 agenda. Who is a member of MALA and who is a voter has been defined since 1976 by operation of the Merifield Acres, Inc., covenants, followed by the Articles of Incorporation of 1977, then in 1990 supported by legal opinion. The suggested revised Bylaws offer for Board consideration and vote the inclusion, with restrictive conditions, of Associate Directors on the Board with specified responsibilities. Without Associate Directors on the MALA Board, the non-mandatory units will be unrepresented.

Agenda item Nominating Committee was overlooked.

Secretary's Report.

Open Forum:

Architectural Committee Report:

Responses have not been received concerning the Foote and Fannie Mae derelict properties.

The Committee respectfully requests that the MALA Board resolve the matter of wherein resides the authority for architectural review for Fielding and Holly Park that was transferred by Mary Frances Lewis to MALA in March of 1983. The Architectural Committee recently has approved the construction of houses in Fielding and approval of another is pending.

Peter Klimas, whose term on the Architectural Committee is expiring, prefers to remain on the Committee as the Tree Man associate member. As of the September 2009 Association Annual Meeting, Pat Rost, elected by the Association membership in 2008, will be seated on the Architectural Committee for a three-year term 2009-2012. Pat Rost, currently Committee associate member, forwarded to the Governance Committee welcome input to the draft AC/MALA/Associate Internal Complaint Process.

Standing Committee Reports:

Appearance and Beautification. The Merifield Acres entrance has been mulched thanks to hard-working helpers Ralph Moore, Lou Fras, and Ken Hensley.

Aviation. Chairman advised that the Corps of Engineers will need a plat to remove the trees at the end of the runway. The construction of a hangar by an individual lot owner on the common area runway was raised. President Ben asked Common Areas and Facilities Chair Clint Dalton to look into the matter and report back August 11.

Common Areas and Facilities. The Committee assisted Maintenance Contractor Ralph Moore in cutting dead trees on Merifield Drive, Teakwood Court, Ridge Road, and Lakepoint Drive.

Community Events. Nothing to report.

Deer Control. Nothing to report.

Finance. Chair reports that the current value of the six-month CD with Carter Bank that matures July 2009 is \$50,137. The current value of the four-month rollover CD with Bank of America is \$63,243.00. The Bank of America Investment Account has re-appreciated to \$58,575.00. The current checking account balance is \$60,454.

Governance. The hour running late, the Committee distributed copies of its June 9 report for Board members and observers to consider at their leisure.

Since the April 14, 2009, Board meeting, the Governance Committee has met twice, April 21 at the Cottrells' on Elm Place and May 12 at Martha Day's on Oak Run—with additional emails and telephone conversations. The Committee continues to accomplish its 2008-2009 agenda:

- In advance of this June 9 Board meeting, hard copies were delivered to Board members' and the Architectural Committee Chair's homes of suggested MALA Bylaws revisions/addition (draft 6/1/2009) for thoughtful consideration in advance of Board review and discussion June 9. To come into compliance with the Merifield Acres, Inc., declaration/covenants and the Articles of Incorporation of Merifield Acres Landowners' Association, governance of the inclusive Merifield Acres requires restructuring. Merifield Acres: Restructuring Governance and the suggested Bylaws revisions propose a right fit between the Merifield Acres, Inc. (MF 1 included), jurisdiction that mandates membership in an association and an annual assessment and the non-mandatory Merifield Acres units. The Governance Committee advises the MALA Board that out of the nineteen Board members the non-mandatory units elect within a consecutive three-year period four Associate Directors who are charged with managing the covenants, responsibilities, and concerns of the non-mandatory units.
- The right to vote and "in good standing" have required clarification. In his legal opinion of June 5, 1997, Atty James A. Butts clarified that regardless of subsequent replatting, the original platting determines the number of lots and the number of votes. By virtue of the mandatory annual assessment, Merifield Acres, Inc., lot owners are subject to the provisions of the VPOAA. Regardless of whether or not the annual assessment is paid, with respect to the VPOAA the Merifield Acres, Inc., lot owner has "standing": the Merifield Acres, Inc., lot owner may file with the Commonwealth of Virginia Common Interest Community (CIC) Board Ombudsman a complaint of improper governance by the Board of Directors or notice of adverse decision.

Because by operation of the Merifield Acres, Inc., covenants MALA has the responsibility to perfect a lien on a Merifield Acres, Inc., lot for which the assessment has not been paid by the due date, Merifield Acres, Inc., lot owners of multiple lots pay the annual assessment on all lots owned. Relatively few Merifield Acres, Inc., lot owners are in arrears. No instance comes to mind of a Merifield Acres, Inc., owner of multiple Merifield Acres, Inc., lots paying the annual assessment on fewer than all Merifield Acres, Inc., lots owned. With respect to Merifield Acres, Inc., lot owners, "in good standing" has appeared to mean that the annual assessment has been paid on all lots owned. The implication has been that if a Merifield Acres, Inc., lot owner were to pay on fewer than the total lots owned, the Merifield Acres, Inc., lot owner would forfeit the vote tied to the lot paid. Merifield Acres, Inc., lot owners are entitled to one vote per each lot for which the annual assessment has been paid. Merifield Acres, Inc., lot owners vote on Merifield Acres, Inc., candidates for the MALA Board and candidates for the Architectural Committee, referenda in general to Merifield Acres, the proposed MALA fiscal year budget, ratification of the MALA Bylaws and other issues of major importance, such as approval of capital expenditures in excess of \$5,000.00.

Non-mandatory unit lot owners are not subject to the VPOAA and to a lien on a lot and have no standing under the VPOAA. Non-mandatory unit lot owners historically make an annual contribution on all lots owned, if they do at all. A slight majority of non-mandatory unit lot owners make no contribution whatsoever. Some few non-mandatory unit lot owners make an annual contribution for fewer than all lots owned. A non-mandatory unit lot owner who makes an annual contribution comparable to Merifield Acres, Inc., lot owners is an Associate member of MALA. Associate members are entitled to one vote per each lot for which the annual contribution has been made. Associate members vote on referenda in general to Merifield

Acres, candidates for the Associate Directors on the MALA Board, and matters that the Associate Directors put before them.

Merifield Acres, Inc., and Associate member lot owners who are willing to be nominated to the MALA Board of Directors/Associate Directors qualify by being “in good standing”, which, by definition, is that the Association annual assessment or contribution comparable to Merifield Acres, Inc., lot owners is current on all lots owned. Merifield Acres, Inc., and Associate member lot owners who are willing to Chair a standing committee qualify by being in good standing.

- Consequent to restructuring Merifield Acres’ governance, a number of MALA Bylaws ratified September 23, 2007, required revising:
 - Article I: 2. Association Membership, a. Voting, and b. Absentee Voting
 - Article I: 4. Board of Directors
 - Article II: 1. Association Officers.
 - Article II: 8. Architectural Committee.
 - Article II: 9. Standing Committees.
- Simultaneous with the revision of Article III: 1. e. Enforcement of Covenants and Rules and Regulations and Arbitration of Disputes and in anticipation of a pending requirement by the Common Interest Community Board, the Committee has about completed for Board and Architectural Committee consideration the draft Architectural Committee/MALA/Associate Internal Complaint Process. New to the MALA Bylaws is Article II: 10. Removal of a Director, Architectural Committee Member, an Officer, Standing Committee Chair, or Person Fulfilling a Function. (Relevant language was found in the Nonstock Corporation Act.)
- With Vice President Mike Cottrell as liaison, the Committee and Architectural Committee are moving closer to a Working Relationship Between the MALA Board of Directors and the Architectural Committee:
 - Article II: 8. Architectural Committee (see above)
 - Progress toward converting the former Impact Fee to the Road Damage Charge (read *deposit*)
 - Authority for architectural review in Fielding and Holly Park resides in the MALA Board and in the lot owners of Fielding and Holly Park.
 - Resolution of the discrepancy in the Architectural Committee election process during August-September 2008 during the election process of August-September 2009. (Of the two 2008 candidates, the candidate who prevailed almost 3 to 1 was not seated. As of the 2009 election process, the MALA membership, Merifield Acres, Inc., and Fielding and Holly Park, will be due an explanation.)

- Progress toward testing Architectural Committee Guidelines against the Merifield Acres, Inc., covenant-mandated responsibilities of the Merifield Acres, Inc., Architectural Committee.
- In collaboration with appropriate parties, work progresses on the updating of MALA Roads Use and Rules [working title].
- Sooner than later, the letter to area broker owners clarifying Merifield Acres' mandatory and non-mandatory units, tweaked as appropriate, should be in their hands, in light of demonstrated occasional confusion.
- The Governance Committee respectfully makes two recommendations, the first for the Architectural Committee, the second for the MALA Board:
 1. In connection with Roads Use and Rules [working title], the Committee advises that the Architectural Committee consolidate into a new Architectural Committee guideline all of the covenants, rules, policies, and guidelines that impact contractors working within Merifield Acres, Inc., for the lot owner to provide his or her builder; and
 2. The Committee advises for Board consideration that the Authority statement being included in MALA Rules and Regulations be standard in expression and, so as not to divert from the actual rules and regulations, placed at the conclusion of each such rules and regulations.
- Subsequent to the June 9 Board meeting, the Committee will review the 2008 letter notifying Merifield Acres lot owners of the 2009 September Association Annual Meeting and advise the Board of necessary editing before the August 2009 mailing.

Political and Environmental. Chair advises the community to stay informed and involved in the process of water transfer from Roanoke River Basin to North Carolina. There will be two more meetings with the Roanoke River Basin Association.

Roads and Maintenance. On May 1, 2009, Bill Woodfin tendered his resignation as Roads and Maintenance Committee Chair. On May 2, 2009, President Ben Jackson asked if Jerry Billingsley would replace Bill on an interim basis. Jerry reluctantly accepted, but only through the bidding and awarding of the paving bids.

On May 19, 2009, Ralph Moore, Clint Dalton, Felix Anderson, and Jerry dropped several dangerous trees on Corps of Engineers' property.

On June 4, 2009, Jerry met with Roads and Maintenance Committee members Dewitt Vanarsdale, Bill Stinson, and Ed King. Also present were President Ben Jackson, Treasurer Greg Sansing, and Maintenance Contractor Ralph Moore. At this meeting, the ten-year Roads Plan was revised to replace tar and gravel paving with asphalt. A priority list of our roads by usage/homes was presented. The revised Roads Plan includes these points:

1. Paving will be done on a two-year basis vs. every year.
2. Paving cost will not exceed monies available.
3. Roads will be prioritized by need.
4. The roads in need will be further prioritized by usage.
5. Plan is to pave main roads Merifield Drive, Lakepoint Drive, and Highpoint Boulevard with 1 ½ inch asphalt and the secondary roads with 1 inch asphalt.

At this meeting, it was agreed to award the contract for this year's paving to W & L Paving of Danville, Virginia.

Jerry would like to thank Ralph Moore for all the work he has done to secure the bids for this year's paving. This work was done as a resident and way beyond what his Maintenance Contract calls for. Jerry would also like to thank the Roads and Maintenance Committee. They helped him understand the existing plan and the reasoning behind the tar and gravel approach. The motion made to accept the revised Roads Plan was seconded and approved.

Jerry has agreed to stay on as Interim Roads and Maintenance Chair until the 2009 September Annual Meeting.

It was the consensus of those present that from now forward the Board, and even the Association membership, be far more actively engaged in decision-making regarding roads maintenance.

Security. Nothing to report.

Welcoming. Nothing to report.

Communication:

Directory. Nothing to report.

Email. Manager Joanne Gilmore invites requests for email addresses.

Newsletter. Nothing to report.

Website. As of June 9, the MALA Website is current.

New Business:

Comments received with 2009 annual assessments or contributions were discussed.

There being no further business, the meeting was adjourned at 10:10 p.m.

The next regular Board meeting will be held Tuesday, August 11, 2009, in the Clarksville Public Library at 7:00 p.m.

Respectfully submitted,

Cathy D'Amato, Secretary