

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF TRUSTEES OF
LUDLOW MAINTENANCE COMMISSION, INC.**

Thursday, November 14, 2007 – 1:00 p.m. – Bay View Room

Trustees: Vaughn Bradshaw, Ted Buehler, Ian Feltham, Stan Kadash, Paul Moseley, Art Moyer, Jerry Nelson, Sonny Sanzaro, and Elizabeth Van Zonneveld.

President Bradshaw called the meeting to order at 1:00 p.m. and asked Secretary Nelson to conduct roll call. With the exception of Trustees Kadash and Moseley, all trustees were present. Trustee Kadash was delayed but joined the meeting in progress at 1:30 p.m.

As a standard practice, President Bradshaw will abstain from voting unless there is a tie.

Agenda Changes: President Bradshaw asked if there were any changes to the agenda. None were requested.

UNFINISHED BUSINESS:

Approval of wording for a letter to our attorney requesting a legal opinion regarding our involvement in the appeal with the County: At the October 20, 2007 regular board meeting, the trustees approved a motion to review an inquiry letter to be sent to the attorney regarding LMC's involvement in the PLA/Jefferson County Appeal. Trustee Buehler read the proposed letter to the trustees and audience. Following lengthy discussion and numerous corrections, Trustee Buehler re-read the letter with the proposed changes. Further discussion ensued. Trustee Van Zonneveld made a motion that the inquiry letter to the attorney be approved as corrected and that the President be authorized to send it as soon as it can be available. The motion was seconded by Trustee Moyer, and unanimously carried. President Bradshaw abstained.

NEW BUSINESS:

Replacement of chairman of the Finance Committee: The current Finance Committee chair, Bruce Pyles, has resigned as chair and as a member of the Finance Committee. Trustee Feltham reported the broker has been notified of the change and Mr. Pyles name has been removed from the access list to the LMC investment accounts. A new banking resolution will be prepared by General Manager Brian Belmont, for presentation at the November 17 board meeting.

Trustee Feltham made a motion to appoint Finance Committee member, Bill Funke, as the new chair of the Finance Committee, effective today, November 14, 2007. The motion was seconded by Trustee Nelson and unanimously carried, with President Bradshaw abstaining.

By a motion made by Trustee Feltham and seconded by Trustee Moyer, the trustees unanimously voted to accept Bruce Pyles' resignation, with appreciation, from the Finance Committee. President Bradshaw abstained.

Newly elected Finance Chair, Bill Funke, nominated LMC members Ted Wright and Ken Schneider as new members of the Finance Committee. Approval by the trustees will be deferred to the November 17 regular board meeting.

Status of on-going negotiations with PLA regarding the Ludlow Bay Village project:

Trustee Van Zonneveld reported LMC had followed-up on a request from PLA with regard to continuing mediation. Review of their list of issues and a complete list that the mediating team had developed based on where we left off at the end of mediation in Seattle was accomplished. Contacts have been made by email, and with their attorney, indicating their last offers. At the present time we do not have a response from PLA. Trustee Van Zonneveld has attempted to contact Diana Smeland by phone, but has not been able to reach her.

Line-by-line review of the proposed 2008 budget: General Manager Brian Belmont presented the proposed 2008 budget on a line-by-line basis to the trustees. Detailed discussion followed. Operating budget items, including planting of the bare bank area, window treatment for the Gallery Room windows, a security system upgrade and landscaping at Kehele Park were acceptable to a majority of the Trustees. The remainder of the 2008 budget items requiring trustee approval will be addressed as needed. Payroll items will be discussed following the meeting in Executive Session.

Trustee Moyer made a motion to invite General Manager Brian Belmont, Operations Chair John Van Zonneveld, and Finance Chair Bill Funke, to join the Executive Session as resources to the payroll discussion. Mr. Belmont will be asked to leave the meeting when discussing his salary. The motion was seconded by Trustee Feltham and passed by majority vote with Trustee Sanzaro opposed. President Bradshaw abstained.

By a motion made by Trustee Moyer, seconded by Trustee Nelson, and unanimously carried, the meeting was recessed to Executive Session at 3:28 p.m., for discussion concerning payroll matters.

The special meeting of the trustees reconvened 4:45 p.m. By motion duly made, seconded and unanimously carried, the meeting adjourned at 4:46 p.m.

Respectfully submitted,

Jerry Nelson, Secretary
Ludlow Maintenance Commission, Inc.

Prepared by Carol Shamhart
LMC Recording Secretary