

Lake Idlewild Lake Association Meeting

August 16, 2008

The meeting was held at 12:00, Saturday, at the Bidwells' home. 26 people attended.

This special meeting was not covered by our by-laws as the 10 day minimum notice could not be met. Discussion was held and it was unanimous that this was an official meeting given the extraordinary nature of the content and the deadline imposed upon us.

New Business: The meeting was called to discuss the possibility of signing a gas lease. Andy Wyzykowski presented the offer by the Alta Gas Co. The 68 acres of Lake Idlewild will be interconnected within an 800 acre parcel which is why we are being considered. PA insists there be 704 acres available before a well is drilled. This offer will end as of Wed., 8/20/08. No other gas companies appear to be interested in Lake Idlewild. If we sign the letter of intent, then all paying members will have the opportunity to review the gas lease contract on Mon. prior to signing. The lease must be signed by an officer by Wed.

High-lights of the contract:

- We would receive \$3,000/acre upon signing
- We would receive 17% royalties on the gross amount, if drilling occurs and gas is found
- There are protections in the contract such as: where to locate the well; where the lines will be run; no storage facilities allowed on the property; no other gas co. can run pipe lines across our property; there will be no visible drill gear, etc.

Discussion followed with the following comments:

- No gas co. can drill under any property unless a lease is signed.
- Drilling takes a lot of water, but it would not come from the lake.
- The wastewater would be taken to NY to be processed.
- The pollution factor is minimal.
- We would pay an attorney to review the contract and his fee is \$40/acre.
- Alta Gas Co. can sell a lease at any time to another gas co., but the lease does not change.
- Questions were raised:

Will this affect our Clean and Green status? (All lakes in Susquehanna County have been removed from this program.)

Will this affect our "not for profit status"?

Will this affect our insurance? Diane Bidwell will check on Mon.

Will this affect our IRS tax exempt status? We have never had to file a tax return before. We need to know whether the attorney filed a 501C3 specifically for the IRS tax exempt status when the lake was purchased.

A motion was made and passed to sign the letter of intent, have the officers investigate the concerns mentioned, and if, in their opinion, this is a good contract (very restrictive to our advantage), move forward and sign the contract.

The vote was 25-2; 14 paying members present voted "yes" and 11 paying members polled via telephone voiced a "yes".

Those members who would like to review the contract on Mon. submitted their FAX #'s.

Additional New Business: It was suggested that we amend the by-laws to include a sergeant at arms officer. By next summer we hope to codify motor boat usage on the lake. Although the rules haven't been formalized, motor boats with engines greater than a certain horsepower may require proof of boat insurance. This is a

further liability protection for the lake association. The sergeant at arms officer would monitor the boating requirements as decided by the members of the association. This will be discussed at the Labor Day meeting.

The Labor Day meeting will be 11:00 Sunday (August 31) at the Bidwells.

Meeting was adjourned at 1:15.

Respectfully Submitted,

Donna Carson,
Secretary

The Labor Day meeting will be 11:00 Sunday (August 31) at the Bidwells

Please make every effort to attend as we will be discussing possible by-law revisions and we need a quorum.

Give agenda items to: Pat Hartman: cell 570-499-3370, home 570-341-7150; or Rich Bidwell: 570-222-3892

Alert: Please do not swim in the middle of the lake without a boat nearby to mark you as boaters cannot see you.

Please do not Jet Ski at night. PA law forbids jet skiing between dusk and dawn. Boats need proper lights after dark.