

THE BLUE MOUNTAIN LAKE CLUB

Board of Directors – Meeting Minutes HIGHLIGHTS

Date: April 9, 2016

Operations Office 9:00 AM

The meeting was called to order by Lynn Ball at 9:05 AM

Directors in attendance: Gary Smith, Vince Ricci, Lynn Ball, Penny Welliver, Mel Dennis, Michelle Pinnock-Harper. Absent: Steve Melnick.

Others in attendance: Preferred Management - Laurie Gonzalez, Community Manager and Amy Janiszewski, Sr. Managing Partner. Also in attendance; Officer Kenny Palmer of the SARPD.

1. Minutes

- a. Motion made by Gary Smith and seconded by Michelle Pinnock-Harper to accept the minutes of the March 12, 2016 meeting as well as the Minute Highlights of the same meeting. All in favor. (Steve votes in favor via proxy to Vince).

2. Committee Reports

Newsletter Update: Laurie provided the Board with copies of the current Newsletter that was mailed to all BMLC residents and is pleased with the positive response the office has received so far. Michelle also reported that she has been receiving positive feedback from residents about our new and improved newsletter.

- The Board discussed article ideas for the Summer edition (i.e. From Your Treasurer, Manorhome Committee, Staff Highlights, etc.) as well as an Election edition.

Manorhome Committee: Steve Melnick provided a summary of the April 1st committee meeting to the Board for discussion. Topics of discussion included:

- Tar and Chip application for roads
- Delinquent Owners
- Condition of Manorhome that is bank owned
- Driveway sealing. Steve advised the committee that as per the Association documents, the owners are responsible for the maintenance, repair and/or replacement of the driveways.

Events Committee: The Board asked Laurie and Michelle to work on establishing a mission statement as well as what the responsibilities will be of this committee and forward to the Board for review and approval. Once these are established, the Board will review members request for appointment.

Finance Committee: The Finance Committee will meet April 13, 2016.

3. SARP Report – Officer Kenny Palmer

Officer Palmer provided the Board with the March 2016 BMLC incident report as well as the February 2016 Police Commission report. For the month of March there were six incidents (two suspicious persons-auto; harassment; domestic disturbance, two unfounded burglar alarm calls; service call – motorist assist). Officer Palmer will provide Laurie with more information regarding the two suspicious persons).

Officer Palmer reported that he will schedule with Laurie a June Safety presentation to residents as well as an article for our Summer Newsletter. He will also schedule with Laurie a class for ChildLine reporting and coordinate Board training for this as well.

Management Report (Laurie Gonzalez)

Cornerstone Bus Stop Update

- Penny Welliver spoke to the SASD Director of Transportation (Cathleen Crisafulli) regarding the addition of bus stops in Cornerstone (and having the bus stop at Brushy Mountain Rd. and White Blossom removed). Ms. Crisafulli agreed to review the options that we provide. Once reviewed, Penny will reach out again to schedule a meeting with Ms. Crisafulli. Any changes that are made will be for next year. Penny summarized her conversation with Ms. Crisafulli to the Board.

Cornerstone Roads update

- On March 22, 2016 Lynn, Vince and Laurie met with the Stroud Township Board of Supervisors for a Special Meeting. The purpose of this Special Meeting was for the Board of Supervisors to update the Blue Mountain Lake Board of Directors regarding the status of the required improvements as designated on the approved plans and specified on the Stonybrook Manor itemized list. Below is a summary of this meeting.
 - Based on the recommendations of the township engineer, the township has approved final road paving payments to Popple Construction conditional upon Popple Construction assigning a two-year bond (starting November 17, 2015 – November 17, 2017) in the amount of \$17,146.12 to the township. Popple has not yet responded. The supervisors were also seeking payment of penalty fees from Popple for failure to perform the paving by the original contract date of October 31, 2015.
 - The supervisors indicated that should BMLC take ownership of the roads they can most likely assign the bond to BMLC should there be any failures during the above referenced two-year period.
 - The Supervisors indicated that there will be no money left in the bond since they have had to engage the services of an engineer to perform several unanticipated inspections.
 - Lynn Ball and Vince Ricci, representing Blue Mountain Lake Club, shared their concerns regarding the conditions of the road, specifically the center seams and the gravel along the shoulders (that was presenting many issues to the Cornerstone homeowners). The engineer responded that he was satisfied

that the roads meet the standards of the township (and PenDot) as well as the specs set forth in the development plan. He also indicated that newly paved roads should last 7-15 years with adequate maintenance. A copy of the engineer's inspection report, a copy of the core sampling report as well as an updated itemized list showing what has been completed to date was requested by Lynn and Vince. The Supervisors indicated that those reports would be forwarded to BMLC.

- Lynn and Vince expressed their concerns and questions regarding the NPDES permit. Ed Cramer advised that since the permit is not in our name (and in the name of LTS) we were not responsible and not to worry about it.
- The township will keep us advised to any status change, or agreement reached with Poppel.

There was discussion regarding the storm water basin requirements as per the original development plan. Amy and Laurie will research this and report to the Board accordingly.

Storm Water Issues:

- As per the approval of the Board, Laue met with a civil engineer from RKR Hess regarding the storm water issues at Archers Mark and Horseshoe Dr./Escoll Dr.
- The engineer was able to determine from his site inspection that a drainage swale or possible re-grading of this area may alleviate the flooding issue in this area.
- An inspection of the culvert pipe that runs under Horseshoe Drive (at Escoll) was also made. The engineer indicated that the size of the pipe looks to be sufficient, however, there seems to be a blockage at least 20' or more into the pipe as we had no clean line of sight from one end of pipe to the other. He indicated that the pipe could have come apart at the coupling, a shift could have caused a rock to come up through one of the pipes, or a large item was carried with water flow and became stuck at a coupling. He will provide a written report along with his findings and recommendations.
- Greg did a further inspection with a high powered flashlight and he could see large rocks about 20' into the pipe that is blocking the flow of water. We have placed a call to a company who is able to flush out the pipe with high powered water pressure equipment (like a fire hose). Should this fix the problem we will not have to cut up the road, re-install the culvert pipe, grade and repave.

Collections Update:

Per a motion of the Board on March 12, 2016, a letter was sent to Attorney Kevin Hardy terminating his services. The Association thanked Mr. Hardy for his hard work over the years. Management has mailed out letters to all accounts 30 days or more past due. Accounts that are 90 days past due will have ten (10) days to bring their account current. Should these accounts not be brought current or payment arrangements not made with the Community Manager (within the 10 days) the accounts will be accelerated and be forwarded to the collection agency.

Security/Patrol Update and Violations:

- One parking violation was issued.
- 2,557 miles of road were patrolled for the month of March 2016. Daily logs are available at the office.
- Abandoned car on Hollow Drive was reported to SARPD. Car was towed.
- Resident called regarding a woman that was following her to her home from the bus stop. Resident was advised to call 911. Security made several security checks past resident's home and found all to be okay.
- Opened and closed clubhouse for several rental events.

Property Violations:

- A letter of violation was sent to a property owner regarding an incomplete fence, no permit for fence, chicken on property as well as a nuisance violation for barking and untethered dog. Stroud Township was also notified about the chicken as housing of livestock/poultry is a violation of township ordinance as well.
- A letter of violation for a dog being untethered was sent to property owner giving 10 days to rectify to avoid fines.

2016 Capital Project Update:

- Management has provided the Board with a spreadsheet showing all proposals received for each item on the 2016 Capital Project list. The Board and Management will work to prioritize this list and begin scheduling as soon as possible.
- The foundation and the fireplace of the gazebo are in very bad shape and we have been advised by several contractors (during the bidding process) that it is unsafe for use until repaired. It is our recommendation that these repairs be a first priority for 2016 capital repairs.
- The Board instructed management to temporarily close the gazebo until repairs are made. The Board also instructed management to decoratively gate off the fireplace until a decision is made in regards to its use.

Lifeguards & Pool Attendants:

- Many interviews for lifeguards and pool attendants have been held. At this time, 3 lifeguards and 1 pool attendant have been hired. We continue to place ads in the Pocono Record and have provided ESU, the High School as well as the YMCA with “Help Wanted” flyers. A help wanted ad is also posted on the website, Facebook, in the community newspaper and flyers are posted at the Office and mail pod bulletin board. We also continue to accept applications from residents as well.

Maintenance

- The stair railing to the lower tennis courts has been replaced.
- Nets were put on the basketball hoops.
- Tennis nets installed.
- Seven (7) new outdoor garbage receptacles were placed at various amenity locations.
- 7 dangerous (dead) trees were removed from the common areas on Blushingwood.
- Provided tree inspections for several owners who submitted tree removal requests.
- The boat dock was installed.
- The pool furniture was brought out for inspection and cleaning.
- All pool umbrellas and stands were inspected. Most are in poor shape and should be replaced. We recommend purchasing a minimum of 10 umbrellas and stands.
- Pool bathrooms have been stocked with supplies for the upcoming season.
- New light fixtures were installed in the pool bathrooms and new rubber mats were purchased.
- Cleaning company has been locked in place for the pool bathrooms this season with a \$2.00 per day savings from last year.
- The installation of permanent volley ball posts has been scheduled.
- New galvanized steel tubing soccer goals have been ordered. Anticipate installation between 4/15/16 – 4/20/16.
- Spring grounds maintenance has begun and we are ensuring that Erb’s Landscaping is providing BMLC with quality and timely contracted services.
- Met with various contractors for various 2016 Capital projects.
- Coordinated the opening of the pool with Strand Pool.
- Coordinated the maintenance of the lake with NatureWorks.
- Signs and sign posts that are in poor condition are being replaced throughout the community.
- Toyota Highlander maintenance:
 - Low tire pressure light was reported to office. All tires were checked and met required pressure. Could be bad sensor. Will have this addressed at the next routine maintenance.
 - 48,000-mile maintenance was completed as well as general inspection. Nail was found in rear passenger side tire. Tire was plugged.

The Board requested that the pot holes on the corner of Pocahontas Rd. and the exit from the guard house be filled since several calls to Stroud Township have gone unanswered.

Laurie reported that management has been receiving many requests for tree removals. Greg has been providing the inspections and approvals/denials for these requests. During this process it came to management's attention that a tree company has been soliciting business throughout the community by approaching residents at their homes.

Management will be sending a letter to this company advising him that soliciting is against the Rules & Regulations of BMLC and to cease all inside the community solicitation.

Driveway Sealing of Manorhomes and Patio Homes:

- We have received several inquiries as to the status of the driveway sealing of the Manorhomes and Patio homes. The covenants state that driveways are a Limited Common Area with the owners being responsible for the maintenance and repair.
- We have not been able to find any records that show this service was performed by BMLC. (Patio home owners indicated the service was provided to them 10 years ago and several Manorhome owners indicated theirs were sealed 5 years ago – no more than 7).
- We have reviewed the minutes from 2002 to current and have not been able to find any mention of driveway sealing that was performed. However, driveway sealing bids that were received in 2013 were found in a vendor binder.
- The Board asked Management to have legal counsel review this section of our documents and provide legal interpretation of our governing documents.

General

- The private website will be available by April 15, 2016. This website will allow residents to view their account information (balances, payments) as well as update their contact information. Residents will also be able to view Association documents that are not available to the public. There will also be a Board of Directors login where Board Packets will be electronically filed.
- The American Flag at the guardhouse was in very poor condition (tattered, torn and dirty). A new flag has been purchased and put up. The old flag was given to the American Legion for proper disposal.
- We are in the process of performing a historical trend budgeting exercise (basically, we look back to 2015 for each line item to assist us in predicting the anticipated expenses for the balance of 2016). During this exercise we uncovered a few monthly costs that seemed a bit high for the services needed. With that said, we were able to lower the guard house phone bill from \$100.00+ per month to \$19.99+ per month; the clubhouse pay-phone bill from \$80.00 per month to \$50.00 per month. We will see these savings in the next billing cycle.

4. Financial Reporting (provided by Amy Janiszewski)

The following financial reports for period ending 3/31/16 were provided to the Board for review:

- Balance Sheet
- Income/Expense Statement
- Homeowner Deposit Summary
- Cash Disbursements
- General Leger Trial Balance

Laurie provided the Board with a preliminary collections report and as well as an updated Collection Policy Resolution. The Board approved sending the policy for legal review.

Amy advised that the 2015 Audit is underway by William Owens & Company.

5. Old Business

Director/Candidate Delinquent Policy.

Motion made by Gary Smith and seconded by Penny Welliver to approve the Director/Candidate Delinquent Policy Resolution 04-09-2016 as written and to be effective immediately. All in favor (Steve voted in favor via proxy to Vince)

2016 Capital Projects:

The Board of Directors and Management reviewed the proposed 2016 Capital list. Each Director will provide Laurie with their order of priority next week.

6. New Business

Club Attorney

Motion made by Vince Ricci and seconded by Lynn Ball to have Attorney John Klemeyer review the proposed Collection Policy, provide his interpretation regarding the Manorhome Driveways as per our documents, his opinion including case law regarding the release of delinquent homeowner information to owners; send a letter to Kirk Suma requesting copies of all prior year audits. All in favor (Steve voted in favor via proxy to Vince).

Wine Club

Discussion of a request for a wine club was postponed until the May Meeting.

Summer Math Bridge Program

Discussion of a proposed Summer Math Bridge Program for children K through 5 was postponed until the May Meeting.

7. Adjournment: Motion made by Gary Smith and seconded by Penny Welliver to adjourn the Board of Director meeting. 1:54 p.m.