

THE BLUE MOUNTAIN LAKE CLUB

Board of Directors – Meeting Minutes HIGHLIGHTS

Date: May 14, 2016

Operations Office 9:00 AM

The meeting was called to order by Steve Melnick at 9:07 am.

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

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 Penny Welliver to accept the minutes of the April 9, 2016 Board of Directors meeting as well as the Minute Highlights of the same meeting. All in favor.
- b. Motion made by Steve Melnick and seconded by Gary Smith to accept the minutes of the April 22, 2016 Board of Directors Special Meeting as well as the Minutes Highlights of the same meeting. All in favor.

2. Committee Reports

Finance Committee: Gary Smith reported on the status of the Certificates of Deposit (CD's) with Wayne Bank and Capital One. There were no files left in the office by the previous management company pertaining to these CD's. Gary contacted Wayne Bank and Capital One and found that the signatories had not been changed by the previous management company – a past president and the owner of the prior management company were the only persons authorized to have access to the CD information and to sign. Necessary paperwork was obtained to correct the matter. **Motion** made by Gary Smith and seconded by Steve Melnick to authorize the officers (Gary Smith, Treasurer; Lynn Ball, Vice President; Vince Ricci, Secretary; Steve Melnick, President) to transact all matters pertaining to the Certificate of Deposit accounts with Wayne Bank and Capital One FSB including but not limited to signature authority. This authorization replaces those previously authorized. All in favor.

Events Committee: Motion made by Gary Smith and seconded by Michelle Pinnock-Harper to approve the purpose, structure and responsibilities of the Event Committee as provided by the Community Manager and appoints Michelle Pinnock-Harper as the Board Liaison to this committee. All in favor.

Garden Club: Gary Smith reported that the expansion of the community garden is scheduled to begin on May 25. Plots are available and the club is seeking new members to join them on the third Saturday of the month at the BMLC office.

Kids Club: Michelle Pinnock-Harper reported the Basketball camp will be the 2nd week of July. Michelle requested that one pool be closed for public swim from 11:00 am – 12:00 pm for the dates of the swimming lessons to allow for warmer temperatures for the children. The Board agreed.

3. SARPD Report – Officer Kenny Palmer

Officer Palmer reported that the BMLC incident reports were not available. He will provide these reports to Laurie next week. Office Palmer and Laurie discussed the Community Safety presentation scheduled for the June 11th Open Member meeting as well as the possibility of an additional SARPD camera to be located at the BMLC playground. Laurie will follow up with the SARPD IT Department.

Management Report (Laurie Gonzalez)

Storm Water Issues/Update:

- A Manorhome property owner has reported flooding issues of his property for several years. The engineer reported that due to years of settling the inlet and outlet sides of 4 driveway pipes along Escoll Drive from the corner of Meadowsage to Horseshoe Dr. need to be cleared out as and the swales need to be re-worked to allow for proper water flow. The cost is estimated at \$3,700.00. If culvert pipes are collapsed there will be an additional cost for replacement. Two of the swales and pipes belong to Manorhome properties and two belong to Estate homes. There is also driveway deterioration of the Manorhome unit due to this issue not being addressed timely. The Board approved this upgrade as well as the repair to the apron of the Manorhome property.
- The engineer has provided his report regarding the flooding issue between the Manorhome units of Archers Mark and Cabinsglade. He has provided two (2) options for consideration as follows: 1) revise grading and 2) install a drainage pipe. (see full report attached). I have contacted two contractors to review the area and reports and submit a proposal.

Collections Update:

The Association has entered into a collection agreement with George Hludzik of Hludzik Law Offices. This firm will provide collection services to the Association. Due to the structuring of their collection policy and procedures the Association anticipates a significant reduction in collection costs as well as an increased collection of past due debt compared to previous years.

Attorney Hludzik has provided the Association with a Collection Policy and Procedure that I have attached to this report for the Board of Director's review. It is my recommendation that we replace the Collection Policy that was approved pending legal review at the April 9th meeting as this policy better reflects the direction the Association regarding collections. The Board will review and provide feedback and/or approval at the June meeting.

Security/Patrol Update and Violations:

- 1,026 miles of road were patrolled for the month of April 2016. Daily logs are available at the office.
- Opened and closed clubhouse for several rental and community events (i.e. Zumba, Meditation, etc.).

Property Violations:

- A letter of violation was sent to a property owner regarding a tractor trailer cab parked on the owners' lot. Owner was given 10 days to rectify as well as notice that should the truck cab be parked on property again a violation will be issued. A verbal warning was also given to the property owner regarding this violation.
- The property owner has been given a verbal as well as written warning regarding the debris of cut down trees that has been left on the property by the tree removal company. The owner advised management that they are working to rectify. Management will re-inspect this property in ten (10) days and proceed according to the governing documents.

2016 Capital Project Update:

- Management is moving forward with the Board approved 2016 Capital projects as follows:
 - New soccer goals have been received and installed.
 - The gazebo foundation has been scheduled for repair the week of May 16th.
 - The expansion of the Community Garden has been scheduled for the week of 5/23/16.
 - Fog Seal of Meadowsage, Southshore and Witness Tree Circle is scheduled for 5/18/16 beginning at 9:00 am with a rain date of 5/19/16. Management has notified owners affected by the road closures as well as posted a notice on the website and a flyer has been placed at the mail pod. Management will also assist the contractor at the site as well as place traffic control cones in the areas.
 - Benches for field area have been ordered and expect installation prior to Memorial Day.
 - Pricing has been received for the lighting at the Clubhouse parking lot and Gazebo entrance road. (see attached).
 - Security cameras for the office have been purchased and one camera has been installed in the interior entrance area. We anticipate the 3 other cameras to be installed by the end of the month.
 - Scheduling the landscaping and lighting upgrades to the Entrance (Brushy Mtn/Pocahontas) and the Guard Booth areas. Permits are required for both jobs as well as permission from the utility company prior to work starting. A meeting with an engineer from Met Ed has been requested and the permit for Stroud Township is being prepared and submitted by JPA Electric as well as management.
 - New umbrellas and stands have been purchased as per the Board approval of April 9, 2016.

Lifeguards & Pool Attendants:

- We have not received enough lifeguard applicants to open the pools as a lifeguard amenity. There are many reasons for the shortage that range from the local waterparks hiring a large supply of guards, young adults that are no longer interested in working at pools or interested in becoming lifeguards, to McDonalds now offering a higher wage with medical benefits for p/t employees. I have reached out to other HOA's in the area that have asked them to send any overflow applicants our way. Unfortunately, many of the area HOA's haven't met their needs as well. The Board approved that the staff that received their lifeguard certification specifically for BMLC would receive a full

reimbursement at the end of the season as well as be paid the lifeguard wage being offered.

Maintenance

- The culvert pipe running under Horseshoe Dr. has been flushed and is now operational.
- Strand Pool has completed the opening of the pools and spray park.
- The tables and chairs have been removed from storage, cleaned and repaired as needed.
- Several pool pump valves have been replaced/repaired.
- The replacement of spray nozzles (under Umbrellas of Spray Park) has been scheduled.
- The expansion joint replacement at the Spray Park has been scheduled.
- The office roof has been repaired.
- The clubhouse entrance platform has been repaired.
- The ceiling in the exterior woman's bathroom is being repaired from the burst pipe in the ceiling. The pipe has been repaired.
- The pot holes at the entrance of the office have been filled.
- The pot holes at the exit of the Guard House have been temporarily filled while we await action by Stroud Township.
- Inspection of trees for removal requests.
- Spoke to owner of Tree Be Gone regarding soliciting.
- The USPS has removed the cluster mailbox in the office parking lot. We now receive a dismount service (delivery and pick up of mail inside office).
- Toyota Highlander:
 - New tires installed. The tires were less than a year old, unfortunately due to the lack of receipts showing required tire rotations completed, we were unable to receive 100% replacement cost. We were able to negotiate a 50% reduction for the new tires.
 - Oil Change performed.
 - Brake light and headlight bulbs replaced.

General

- Postcards have been mailed to all Manorhome unit owners for the Ehrlich pest control program.
- Received ChildLine Reporting training from the SARPD. Will be scheduling this training for all pool staff.
- Management met with George Hludzik, the Association's new collection agency/attorney to discuss the timeline of turning over delinquent accounts to his firm.
- The extended office hours are not being utilized by residents. The office will begin regular office hours (M-F 8:30 – 5:00 pm with a short lunch break between 12-12:30; Saturday 8:30 pm – noon). Laurie advised the Board that she would make herself available for evening appointments if necessary.

Cornerstone Update

I met with Daryl Eppley, Stroud Township Supervisor on Thursday, May 5th. He provided me with the core inspections that were performed by Reilly & Associates (engineer) and a copy of the executed Maintenance Bond with Popple Construction (see attached).

Daryl and I will be scheduling a meeting to walk through Cornerstone and assess the placement of the walking trails, which is the last item of outstanding work that needs to be completed. It would be my recommendation that Directors attend this walkthrough. The township will need to seek approval from the owner of the common grounds (LTS) in order to install the walking trails that will be placed over/through common areas. The township will also need to seek permission from lot owners for trails that will be placed over/through private property.

Daryl did confirm that the Township is not responsible now or after the completion of work (per the bond) for the maintenance of the Cornerstone roads. This maintenance will fall to the owner of the roads (LTS which is an inactive entity).

4. Financial Reporting (provided by Amy Janiszewski)

The following financial reports for period ending 4/30/16 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

Driveway Sealing – Manorhome/Patio Homes.

The governing documents of the Association are clear in stating that owners are responsible for the costs of maintaining Limited Common Areas (driveways). The Association attorney reviewed the governing documents and provided legal opinion that confirmed that the unit owners are responsible for the cost of driveway repairs and sealing (to be split between all owners utilizing the driveway area). The Board requested that bids be received this year for the work to be done in 2017. Management to advise the unit owners of the Manorhomes and Patio homes what the cost to each will be.

Wine Club

Motion made by Steve Melnick and seconded by Gary Smith to approve the Wineburg Club. All in favor.

Summer Math Bridge Program

Motion made by Gary Smith and seconded by Steven Melnick to approve the Summer Math Bridge Program as presented to the Board by Michelle-Pinnock Harper. All in favor

Compensating residents for the delivery of professional services

It was the consensus of the Board to no move forward on this topic. All in favor.

6. New Business

Removal of Home Improvement Permit Fees

Motion made by Steve Melnick and seconded by Gary Smith to remove Home Improvement Permit Fees to residents. Permits are still required. All in favor.

Common Ground Tree Inspections

Motion made by Lynn Ball and seconded by Gary Smith to hire a tree arborist to perform an inspection of all common area trees. All in favor.

Design Review Committee

The Board appointed Vince Ricci and Jana Aspray to the Design Review Committee.

The Board approved management reviewing and approving permit requests and to only submit exception requests to the DRC (and Board) for approval.

Shed permit exception request

The Board approved increasing the maximum size of shed to not exceed 150 sf. Management will update the guidelines.

7. **Adjournment:** Motion made by Steve Melnick and seconded by Gary Smith to adjourn the Board of Director meeting at 2:27 pm.