

Birchwood Lakes Community Association
Regular Board Meeting Minutes
August 14, 2012
Conference Room

Present: Charles Ritson, President, Linda White, Secretary, Thomas McConnon, Carolyn Martin, Theodore Balke, Joanne McInerney, Carl Fredrickson, Marcella Livingston, Treasurer

Absent: Vice President Clare Bennett; Director Ted Balke (moved away)

Also Present: Bettye White, Community Manager

President Ritson opened the meeting at 7:00pm with the Pledge of Allegiance.

APPROVAL OF THE MINUTES FROM PRIOR MEETING

- July 17, 2012 Regular Board Meeting

Motion to approve Regular Board Meeting Minutes from July 17, 2012 made by Director Martin, Seconded by Director Fredrickson. All Directors voted in Favor. Motion Passed.

- July 20, 2012 Action Without A Meeting

This Action without a Meeting is to approve an increase in bottled water provisions upon request, and a review of prior usage to substantiate the requested amounts for purposes of drinking and cooking. As individual and seasonal needs may vary, adjustments will be made as required. Directors White and Fredrickson were not available and Director McInerney voted No as she thought the Action wording was vague. All other Directors voted in favor.

- July 23, 2012 Action Without A Meeting

This Action without a Meeting is to rescind the July 17th motion approving water delivery by Mountainwood Spring Water LLC and continue water delivery by Tulpehocken Spring Water that has agreed to match the rates. Directors White, McInerney and Balke were unavailable. All other Directors voted in favor.

- July 25, 2012 Action Without A Meeting

This Action without a Meeting is to approve the use of the clubhouse contingent upon the HVAC system #2 not being used. This approval is based on the mold remediation letter from Integra that “allows the space to be occupied”. The original conservative decision to not use the clubhouse was based on the repair of the HVAC system being completed 7/23/12, but will now not happen until 7/30/12. Your approval or “yes” vote will permit the use of the clubhouse; your rejection or “no” vote will continue the current non-use of the clubhouse until the #2 HVAC system is repaired. Director McInerney voted No because she did not want to end up having to cancel any further events. Director Balke voted No because he felt it shouldn’t be used. All other Directors voted in favor.

- July 25, 2012 Action Without A Meeting

This Action Without A Meeting is to approve, upon recommendation of the Roads & Maintenance Committee, the bid submitted by Wayco, Inc. in the total amount of \$64,840.44 for crack sealing of East Maheli Drive and Seal Coat for Butternut Street, Chestnut Street, Hemlock Drive, Laurel Lane, Magnolia Lane, Planetree Lane, Sassafras Lane, Sweetfern Lane, Bitterfern Lane, Joshua Lane, Juneberry Drive, East Lake Drive, Spruce Drive, Barberry Lane, Mulberry Lane and Buckhorn Trail as specified in the Request for Bids dated June 2012. Director McInerney was unavailable. Director Livingston abstained not available to ask questions. All other Directors voted in favor.

- August 4, 2012 Action Without A Meeting

This Action without a Meeting is to approve continuing use of Brian Oram for quarterly testing at a cost of approximately \$65.00 per sample plus a \$45 per hour collection charge. There would be no additional charge for mileage or management of the spreadsheet data. His normal fee would apply to reviewing the data, getting the data to the homeowner, etc. All Directors voted in favor.

- August 4, 2012 Action Without A Meeting

This Action without a Meeting is to approve the acceptance of the items listed for levy as being sufficient to meet the amount due regarding No. 45341-2012 Birchwood Lakes v. Mendell. Directors McInerney and Fredrickson voted No. All other Directors voted in favor.

- August 13, 2012 Action Without A Meeting

This Action Without A Meeting is to approve cancelling the Sheriff's sale scheduled for August 15, 2012, (Account No. 100-006-0500) based upon receipt of the defendant's \$500 check and request for a payment plan, as well as approving the payment plan for \$50/month. Should payments not be made as indicated, the Sheriff's Sale would be reinstated. Director Livingston was unavailable; Director Fredrickson voted No. All other Directors voted in favor.

Motion to approve 7 Actions without a Meeting above made by Director Martin, Seconded by Director Fredrickson. All Directors voted in Favor. Motion Passed.

TREASURER'S REPORT

Treasurer Livingston reviewed bank balances and Income/Expense Report.

- Write-offs

Lot 10, Block 37, Section 6 - \$15,102.04
Lot 11, Block 37, Section 6 - \$ 4,978.79
Lot 20, Block 70, Section 9 - \$ 51.24
Total Write-Offs: \$20,132.07

Motion to approve the three write-offs above totaling \$20,132.07 made by Director Livingston, Seconded by Director McConnon. All Directors voted in Favor. Motion Passed.

- Collections

Community Manager Bettye White summarized collections for the Board noting that 11 members have liens filed; 19 more are ready and 11 are ready for complaints; 5 members applied for payment plans. On execution of liens, our attorney is filing for more levies and several more Members have requested payment plans. One bank account was garnished.

Director McConnon asked if there is more activity on collections since we instituted changes. Community Manager Bettye White indicated on execution of liens, we are seeing a greater response with many requests for payment plans. Community Manager Bettye White also noted the Association attorney has issued a response on the process, pros and cons regarding sheriff sales.

MANAGER'S REPORT (Original attached to adopted minutes)

Community Manager Bettye White gave her Manager's Report.

President Ritson discussed the road issue as to crack sealing indicating the Board approved the contract but there were some concerns with some of the roads not being in good condition. Community Manager Bettye White was asked to get a quote without the extra work being done. The decision of crack sealing is part of the original proposal and should be done. The Board decided that crack sealing is part of the original proposal and should be done.

PALMS Grant: Community Manager Bettye White indicated we need to complete a project time line by August 17th, 2012. The PALMS grant requires completion of this document and requests a general time line for the four items under the grant. The Board authorized Community Manager Bettye White to complete the timeline. The agreement would be signed by President Ritson. The grant is for \$18,990.

The Board also discussed Hotspot #2, Old Oak Court, and the removal of the gravel/ rock bed in the Lower Lake as part of the grant. These are incorporated into the grant and also as part of the permitting process. We received the permit for

East Birchwood Lake boat launch and incorporated a riparian buffer strip in this area. The community has put up matching funds (can be in labor) for the PALMS grant. The Board approved increasing the matching funds. We were required to put in \$6900.

Upper Birchwood Lake application is more than 65% completed. Discussion ensued on submitting the application to DEP to avoid increase in Dam filing fees. Community Manager Bettye White indicated Proof of Financial Responsibility is not done yet. The Board would have to approve what type of proof (i.e. bond, CD) will be supplied. It is anticipated it will be filed within the next 60 days. E & S plan is completed. As to causeway going to the island, this was a discussion only on how to save monies for the community and was presented as a question to the DEP.

Alcohol at pool: Our Rules and Regulations prohibit the consumption of alcohol in Common Areas. Director McInerney discussed the rule as allowing that alcohol is permitted at an approved function. There was no drinking by underage children, and in the pool area, there should be no glass. We have legal opinions allowing alcohol consumption at BLCA events, as long as BLCA doesn't sponsor the drinking. Community Manager Bettye White indicated this question came from her staff that had a question regarding the pool parties, and the issue was related to 15-18 year olds being allowed at certain functions. Drinking is not permitted for underage children but is allowed for adults at approved functions if they choose to bring their own beverages; BLCA does not provide alcohol.

Annual Accounting Audit on Financial Status: President Ritson reviewed meeting held yesterday with accountant who indicated our books are in order.

Motion made by Director Livingston, seconded by Director Martin to adopt the Annual Accounting Audit on Financial Status. All Directors voted in Favor. Motion Passed.

COMMITTEE REPORTS

By-Laws: Director McInerney – nothing to report.

Rules and Regulations: Director Martin – nothing to report.

Recreation: Director McInerney summarized some extra events. They held a pool party for young adults (25-30 participated); an adult BBQ, just a few people came; BINGO is up and running and jackpot BINGO will be held Labor Day weekend. Kids Karnival is this Saturday at the pool. Sunday is the Pancake Breakfast. Pool party is the Saturday of Labor Day weekend. August 25th – a spaghetti dinner with potluck dessert. All invited to come out and hang out with their neighbors. There will be music. Community Garage Sale is 9/2. Hopefully next year we will have Dinner Party back in place. We also had a successful kids fishing contest.

A resident who is a tenant said he wanted to join recreation committee but was never contacted. President Ritson indicated we hope to change the By-Laws next January allowing for tenants to sit on some of the appointed committees.

Capital Projects & Lake Management: President Ritson indicated the committees both met on July 21st. Lake Management is overseeing lakes and proposing a seminar on Sept 8th relative to condition of lakes but is waiting for Joe Gallagher to confirm attendance. Capital projects: overview made on major projects as well as a discussion of the pool renovation project.

Capital projects: overview made on major projects as well as a discussion of the pool renovation project.

Community Affairs: Director White indicated that the Newsletter went out via mail and email successfully. She indicated she will email deadline on next issue to all.

Budget Committee: Director Livingston noted they will start meetings in September. Since it takes a lot of work and the committee needs a lot of input from Members, she asked for more volunteers.

Beautification Committee: Director Fredrickson noted regarding front entrance on 739, all is growing nicely.

PAYMENT OF BILLS

- CA Givler – work on dam permit – over budget - \$1,824
- Sparnon Wetland Services, Inc. – \$2600 – Upper Dam Permit

First two totaling \$ 4,631 are over budget. Director Livingston recommended we take \$4,631 from Acct. 80420 (Upper Dam) and transfer to Acc. No. 80410 UBL Dam Permit

- Eastern Alarm Systems, Inc. – Repair of Church gate. Director Livingston indicated we need to transfer \$756.14 over budget from Account #722-004 Security/Fuel to Account No. 7060-004 (R&M gates)
- Integra-Clean & Dry, LLC – for mold remediation in clubhouse for \$4,234.72. Director Livingston recommended we transfer monies from Account #7980-001 (Contingency) to No. 7020-003 (R&M Bldgs.).

Motion made by Director Livingston, Seconded by Director Martin to approve the above budget transfers as indicated. All Directors Voted in Favor. Motion Passed.

Question from audience: why is Board transferring funds three months after new budget? Director Livingston indicated these are all unexpected items.

OTHER UNFINISHED BUSINESS

- 739 Entrance Permit

Community Manager Bettye White referenced her inability to get DOT to meet with us. They suggested we go back and present our plan to our engineer, and have a report highlighting our work and suggestions to DOT given to them. President Ritson asked if we should have a meeting with our traffic engineer first. After a general discussion, the Board directed Community Manager Bettye White to give all of the data we gathered and information to date to our traffic engineer to review and to come in to meet the Board after his review.

- Motions to Clarify 07.17.12 Decisions

The minutes reflected a fee but there was no motion to that affect. The Board will clarify these actions through Actions Without A Meeting.

NEW BUSINESS

- Tree Removal Request – Economou. Two trees for removal approved by Director Fredrickson.
- Salt Update

Meeting held yesterday was summarized by President Ritson: There are two homeowners in maintenance yard area having problems with well pumps. We brought in two consultants to discuss the installation of a 500 gallon water tank to service these houses. This estimate is outstanding. One member is also concerned with his baseboard water heating system. After discussion, it was decided to have Pike County Plumbing and Heating come in and take samples through a consultant, flush system out and refill with fresh water.

As to tank in garage, we need to feed water. We will use outside water hauler for first few loads. This is not cheap, but long term we hope to be able to bring water from clubhouse. The Board will buy a tank, place it on trailer, and do work ourselves. Water at the clubhouse has been tested. There are no problems and it is potable.

Resident in audience asked how this water system will work in the wintertime. President Ritson indicated the trenching will be below ground 4' or lower.

We need to develop legal agreements as part of this process should it go forward. There needs to be a meeting with homeowners to see if they wish to proceed.

A 48 hour well pumping test is in works.

An exploratory well is being looked at being put on far end of Arrowwood property to separate the good from bad strata. May be able to pull good water, and if we do, this may solve the problem for those residents mentioned. This well will be drilled in early September. We have a permit from the Township.

We have new surveying and map work being done.

We are conducting new camera work for static water levels.

Sites for a new well are being investigated.

Sampling continues, except for those residents that haven't given approval.

As a result of a question from a member in the audience, President Ritson indicated the salt which is the source of the problem was removed; he explained that the salt had, over period of time, leached into the ground. We currently obtain our salt from outside sources, as we prefer not storing salt on site. This problem of salt contamination has happened in many similar communities.

A resident asked if the issue of the community being legally responsible for this problem has been asked of our attorney. President Ritson indicated DEP is holding us responsible, but we will ask attorney to respond to this question.

Another resident asked about our insurance coverage. President Ritson noted the umbrella insurance policy does not cover this liability. We did check this out. At the annual meeting, this will be a major topic. Board is working on this diligently and is moving forward.

- Payment Plan Requests:

#032-014-0500 asking to pay \$30 per week; we have a hold on bank account. Director Livingston stated that we should ask for a lump sum, along with a payment plan for the balance. If we agree to give them a payment plan it should be stressed that first non-payment will result in execution of judgment. After discussion, it was decided to develop a payment plan for this year's dues to be calculated plus \$100 on past due account plus a lump sum of \$500.

Director Livingston made a motion to approve a payment plan for this year's dues, plus \$100 towards past due account as well as a lump sum payment of \$500. Seconded by Director Fredrickson. Director McConnon opposed. All Other Directors Voted in Favor. Motion Passed.

016-010-0300 asking \$55 a month for last year and this year's dues. At \$55 a month, we need a lump sum to start. Payment plan for this year must be established plus \$55 on arrears and no lump sum.

Director Fredrickson made a motion to approve a payment plan for \$55 a month for arrears, with a payment plan for this year's dues established. Seconded by Director Livingston. All Directors Voted in Favor. Motion Passed.

027-005-0400 asking payment plan be reinstated for same amount. Payment plan for this year, plus \$50 a month for arrears.

Director Fredrickson made a motion to approve a payment plan for this year's dues, as well as \$50 per month for monies in arrears. Seconded by Director Livingston. All Directors Voted in Favor. Motion Passed.

008-044-03 is asking to pay \$250. Civil complaint will be filed immediately after first missed payment. Ask for \$500 lump sum plus payment plan.

Motion made by Director Fredrickson, Seconded by Director Livingston to approve a lump sum payment of \$500 plus \$250 a month payment plan. All Directors Voted in Favor. Motion Passed.

106-016-15 - Paid \$500 down and wants to pay \$200 a month going forward. Board accepted payment indicated.

Motion made by Director McConnon, Seconded by Director Livingston to approve payment plan of \$200 per month (\$70 current dues; \$130 past dues). All Directors Voted in Favor. Motion Passed.

111-009-16 - We already have a judgment. Resident requested payment of \$50 a month. Board felt a lump sum and current dues must be addressed. Pay \$500 plus current dues payment plan plus \$50 a month for arrears.

Director Livingston made a motion to require a \$500 lump sum payment, plus a payment plan for current dues, plus \$50 a month for arrears. Seconded by Director Martin. All Directors Voted in Favor. Motion Passed.

081-019-110 – At this time our attorney is writing letter. Homeowner agreed to send \$1,000 immediately. A portion of this was citation and interest on the citation. Homeowner indicated they wanted the Board to remove violation fees. Director Livingston said to give a counter offer of \$1200.

Director Fredrickson made a motion not to accept the offer of \$1,000. Seconded by Director White. Director Livingston voted No (she felt we should counter offer \$1200). All Directors Voted in Favor. Motion Passed.

- Permit Application – 093-050 & 016 -1200

Permit is for a garage. This garage is a large garage. 30x44 made of steel, and would be in back of house, but closer to road at the back of the property. Deeds and covenants discuss harmony with main building. After discussion, the matter was tabled for feedback from our attorney.

- Pool - Sealed Bids

We have an agreement with Wayne Wade Assoc. to develop bid package, specs and supervision of construction of pool. He requested us to forgo bid policy. Discussion: it is over \$1,000 and we are opening up for problems in future if we don't go to bid as is our normal policy. Community Manager Bettye White: concern by Wayne Wade was the window/time frame. If you want work done in fall, it may close window for work in fall if we follow closed bids process. Original reserve vote was to 'repair' the pool.

President Ritson summarized work the Board has done to date on pool repairs, noting we brought in 3 consultants, and selected one. Current reserve vote is to repair pool. If it is turned down, it may not be repaired. Although in good shape, there are some things that need to be done.

Resident at meeting indicated he knows Board's position, but he also brought in his own pool consultant who thought costs were high. The Board was not provided with any documentation by the resident. President Ritson indicated our liner will be brand new; new piping under pool; skimmers, new curbing, will look like a brand new pool. We did not go to bid yet. When we get bid packages, and we see lower costs, we will see if we can do more work. We agreed to pay 6% to oversee a project. Same resident felt this was a waste of monies since all contractors are required to have insurance. President Ritson said Board felt this more effective since no one on this staff or on board knows this business.

Discussion ensued on possibilities of our reserve budget being voted down. We have \$95,000 and asking for additional \$40,000. When we put it out to bid, we will do the work up to what we have in reserve.

The Board is going forward with repairs to the pool. This decision and review has been going on since 2011. Resident in audience indicated they could do volunteer work on fund raisers to get a larger pool. President Ritson informed the resident that our not-for-profit status prohibits such fundraisers. President indicated when bid comes in, we will look to increase monies if needed and that may come in handy at that time.

Resident in audience asked a question on Rt. 739 entrance. Chairman summarized DOT requirements: possibly widening 739, putting a left hand lane turn in for \$250,000, or opening up East Maheli and putting an entrance there. We are

thinking of moving guest gate to the Doolan Road entrance which is the original main entrance, and deleting some car cards during the 4PM to 6:30PM by closing delinquent accounts from using this entrance during this peak time.

- Delaware Township Volunteer Ambulance Corps Subscription Fund Drive – requested a donation.

Director Livingston made a motion to approve a donation of \$25, Seconded by Director Fredrickson. All Directors Voted in Favor. Motion Passed.

- PALMS Lake BMP Grant

Community Manager Bettye White was authorized to develop timeline, fill out Grantee agreement by 8/17/12. Beautification will help with plantings.

Motion made by Director Livingston, Seconded by Director Fredrickson to authorize Community Manager Bettye White to complete the PALMS Grant Agreement. All Directors Voted in Favor. Motion Passed.

- Request for Corporate Documents–

Benner: Requested copy of security report for broken window

Motion made by Director Livingston, Seconded by Director Martin to approve release of the security report requested to Mr. Benner. All Directors Voted in Favor. Motion Passed.

Toma: Requested copy of an incident report.

Motion made by Director White, Seconded by Director Martin to approve release of incident report to Mr. Toma. All Directors Voted in Favor. Motion Passed.

- Request to Use Clubhouse – 108-006-1500 – withdrew request.
- Perpetual Plaque – Vice President Bennett is buying this year. Committee will decide next year based on recommendations from residents who will receive the honor and what type of plaque.

COMMUNICATIONS, WRITTEN & ORAL

None

MISCELLANEOUS

- Nature Correspondence (2)

John Natural was present to discuss a violation notice and remedies he took. He reviewed the violation involving dumpster littering. He showed May 14th pictures of dumpster and properties. Citation was issued May 13th. Notice required 30 days for cleaning. On May 28th dumpster was emptied. No household garbage exists and no construction debris. He received a notice indicating \$357 was owed. It was decided that there was information supporting compliance with notice of violation.

Motion made by Director Martin, Seconded by Director Livingston that this matter be sent to the Resolution Committee, noting that the Board recommends this action be deemed void. No monies due. Director Fredrickson abstained. All Other Directors Voted in Favor. Motion Passed.

Member from audience asked about the type of training received for the new security company noting the way a security officer treated his children? Discussion ensued. Community Manager Bettye White advised him to fill out a complaint so it can be investigated.

- Puliafico Email – Speaks to concerns about Upper Lake. Community Manager Bettye White to respond.

- KML Law Group Correspondence – request to waive citation and interest on citation. This is a foreclosure. Community Manager Bettye White was directed to resolve this with the attorney and achieve a settlement. Prior dues outstanding were \$1041 and fines were \$4,475.
- Judges of Election

Motion by Director Martin, Seconded by Director Livingston to approve the Judges of election: Pat Collins, Janet Flaherty, Darrell Hayes, Sally Pohlman and Katherine Wildemann. All Directors Voted in Favor. Motion Passed.

Motion to adjourn meeting made by Director Livingston, Seconded by Director White. All Directors Voted in Favor. Motion Passed. Meeting Adjourned at 9:40pm

Respectfully submitted,

Linda White
Secretary