

Lake Arrowhead Property Owners Association Board of Directors Meeting Minutes

October 7, 2017

-The meeting was called to order at 9:03 by Vice-President Cory Ames.

-All board members were present except for Chris Speen, Steve Besson, Kyle Stubli, Gordon Wearsch, and Carolyn Wright who were all excused. A quorum was present. All contractors were present.

-Tom moved to accept the minutes of the August 5, 2017 meeting as presented. Ron seconded the motion and it passed unanimously.

-Treasurer's Report: Treasurer Judy Race distributed to board members the Profit and Loss Budget vs Actual Report and a report of our Assets on Hand. She reported that we are doing well so far this fiscal year. Gas well revenues are coming in slightly better than expected. Approximately 85% of our members have paid their dues. More income is expected. Trash costs are good. We have had 14 pickups year to date this year compared to 20 pickups at this time last year.

Judy is concerned about Road and Equipment maintenance costs. We had the extra expense of grading the roads by an outside contractor and increased brine prices. Judy thinks we will be OK for the fiscal year so long as dues come in as they should. Mary moved to accept the Treasurer's report. Cory seconded the motion and it passed unanimously.

Collections: Judy reported that it was a very busy summer and that made it difficult to file cases over the summer. She plans to file cases in court on Monday. Within the last couple of weeks, we sent out notices to fifteen members who were far in arrears. Six of those members have either paid or made payment agreements rather than go to court.

Minerals: Dave Johnston reported that natural gas prices have gone down recently. Lynn Energy is for sale. Our largest revenue checks come from Lynn. Dave reports that this situation should have no effect on us at all.

Real Estate: Dana reported that it is a "seller's market." The county did sell a few Lake Arrowhead lots recently. Round two of the county land sale auction is coming up. If members don't buy at the auction, they can negotiate with the county Treasurer to buy county owned lots.

Roads: Tim is still working on bringing gravel in to the Campground. Mary asked that short connector roads like Oneida and Mackinac that don't dry out easily get some extra attention. Tom asked Tim Wheaton if he thought the goal of widening and re-crowning roads, and reclaiming gravel was achieved by having J&N come in to grade. Tim said that the grading did not accomplish all that we hoped for because gas lines interfered with how deep the grader could go. He said much of the "gravel" off to the sides of roads is really mostly sand. There were some minor truck repairs recently, but nothing big. Tim will take care of the areas that need special attention that board members brought up to him. Currently all equipment is in good operating condition.

Building Control: Tom Rozycki read a letter from member David Moore and explained that Mr. Moore requested that the Association swap its Okemos Trails lot 43 with Mr. Moore's Okemos Trail lot 44. This would allow Mr. Moore room to build a home on his lot and it would improve our trails. Tom said that he and Stephen agree this is a win-win for everyone. The property we would be exchanging is not a part of a park. Dana will look into the matter to make sure there is nothing that would have adverse implications for the Association. If all is OK, she will prepare the deeds. After discussion, Tom moved to exchange Lake Arrowhead's Okemos Trail lot 43 for David. Moore's Okemos Trail lot 44, contingent upon approval by Dana, our Real Estate Chairperson. Cory seconded the motion and it passed unanimously.

Fences: Building Control has recently received requests by members to build privacy fences and members have been discussing them on Nextdoor. Mary read a letter from Carolyn Wright about fences and park maintenance. We are restricted by our deed restrictions and cannot give approval for the variances. Foliage can be used in small areas where screening is desirable. "Open construction" fences are allowed on the back of properties, but permits are required. In Otsego County, the front of the property is always the road side. We will have more discussion about this at our next meeting when Stephen and Carolyn will be present.

Building Maintenance: Ron Race, our Building Maintenance contractor, reported that the Building Maintenance contract is for an average of 8 hours/week. He has been putting in much more than that as he does outdoor jobs and catches up on projects. Ron expects a slow-down as the weather changes. Ron has submitted a list of tasks he has done to the Building Maintenance along with the time required to complete each task. This will be helpful for future contracts and budgets. Some of the work he has done since accepting the position included: scraping and painting the gable end of the pavilion on the lake side, power washing, changing locks, correcting landscape around the Office-Pool well, installing a screen door in the Office Building and putting up new signs at the Main Park. Tom is very happy with the work Ron has taken on.

-Pavilion Roof: Ron solicited bids for replacing the pavilion roof. (The shingles are brittle and cracking; and several are missing.) Only one builder responded with a bid. It was suggested that we consider a metal roof and continue looking for bids. Judy reported that there were some leaks from the Pool shower building roof. We will table this until the December meeting. When working on the pavilion Ron found many, many staples, causing a hazard, that were left from stapling up tarps. We need to make sure staples are removed when tarps and signs are taken down. Members gave approval a while back to purchase a roll down wind screen for the pavilion and we should consider getting one. Ron and Tom will look into this and bring to the Board before next summer.

Building Control: Tom reported that the building permit was updated and posted to the website. We still need to update the permit process. He thinks it would suffice if we required members to submit the same permit application packet to the Association and to the county; and to return copies of county approved permits to us. This procedure will give us more control. Tom said that ideally we need to approve the zoning application when building permits are issued. Tom will work with Stephen and Mary to update the process for posting to the website. Judy reminded us that once we complete this process we need to update our best practices so there will be continuity under future boards.

Campground: Marcia reported that they had a very good year at the Campground. They were full all three holiday weekends and they had about 50 people at their Labor Day weekend pot luck. Thank you to Gordon Wearsch who made an awesome “trash can turkey.” It turns out that the low bid Marcia received for installing pavilion lighting was not by a licensed electrician. She will sign with (licensed) Leonard’s Electric to do the work. Tim has been working on the Campground roads, but it is still a work in process. She would like to make some rule changes for the 2018 Campground contracts. One change would involve members who want to keep mini fridges plugged in while they are away for more than 24 hours; the other pertains to ATVs left on lots. Marcia will work with Ron Race on changes to the Campground Lease-Rules document. Marcia would like to build a building where she can store picnic tables and have a small office. Tom recommends that we really look at this in conjunction with long range planning. Plans will be made over the winter. Marcia will have some tree stumps and a couple potentially hazardous trees removed.

-**Forestry:** Connie will meet with Mike Castle who was the Stubli’s personal Forester years ago. Connie met with Gordon Wearsch and is happy that they are in agreement about the forests. Neither of them want clear cutting. Gordon will give us a forestry presentation at our December meeting.

Long Range Planning: Tom reported that we can save \$1000 on an update of our Reserve Study by eliminating an on-site visit. The cost will be approximately \$2,700. Our current study has some flaws and it is all about maintenance but does not address growth. We should address improvement goals at our next meeting.

Parks: Dana reported that Tim is working on cleaning up leaves. The “No Motorized Vehicle” signs are up. Basketball backboards and hoops have been ordered but new poles were needed. Ron worked with Dana on it and in the spring he will power wash the courts and paint them up with non-skid paint. One bid for a new dock was submitted and sent to board members. The board requested additional bids for our next meeting. The old dock should be good for Little Bear Lake. Kyle has contacted the DNR regarding Wave boats. Michigan Lake & Stream Association has recommended posting that wave boats reduce speed within 300’ of a shoreline; have no added ballast; avoid turning in tight circles; avoid sandy and shallow areas, residences, and natural shorelines. By law, boat operators may be held liable for damages caused by their waves. There was a discussion about what to do about washouts at the neighborhood park where the merry-go-round used to be. The suggestion was to divert water to the other side of the road, but Tom noted that diversion has the potential of

causing other problems. Another suggestion was to create a dry creek bed that would allow water to flow but would reduce erosion. This will require further study. The picnic table at the boat launch park was irreparable and was discarded by Ron. We should consider pricing and acquiring high quality tables for that park.

Pool: Ron reported that the pool is closed and they came in about \$2K under budget. The umbrellas were replaced. The shower house roof needs repair/replacement.

Security Cameras: There have been some issues in viewing images from the new security cameras on-line. Jeff is working on it. We are able to capture images clearly if viewed directly off the recorder. We recently viewed a gentleman from Michawee who dumped unwanted tires, drywall, and a shower door at the dumpster. He got a \$250 fine for his trouble.

Communications: The September newsletter has been posted to the website. The next newsletter comes out in March. We have about 190 members on Nextdoor. The website is especially appreciated by new members.
Historian: Connie reported that she will be going through old documents and organizing them into binders over the winter.

Social Committee: Cory reported that he built a new message center that was placed alongside the dumpster area circle drive. The Halloween party is planned for Saturday, October 14th.

Old Business:

-Line of Credit. Judy reported that Chemical Bank who initially suggested that we take a \$250K line of credit, reversed itself and turned down our request for the credit line. They offered \$50K. Judy will look into getting the line of credit from other financial institutions.

-Spoils area fence: Cody reported that Chris got an estimate of around \$4000 for materials to put up a farm fence, but we would have to install it ourselves. Ron reported a price came in this morning which includes 1000' of 4' farm fencing with wooden H posts every 300' and 7' T posts every 10'. The cost will be about \$7,078.15 for labor and material. Chris and Ron recommend that we have it professionally done. Ron moved that we have Lee's Alpine Fence, install the fence around the spoils area and authorize an expenditure not to exceed \$8500 which will cover the additional needed signage. Connie seconded the motion which passed unanimously. Tom suggested we place warning signs every other section. Ron will handle.

New Business:

-Shooting incident: Member Diana Sanom reported that as her daughter Brittany drove down Arapaho around 8:00 p.m. on August 24, 2017, her daughter's vehicle was struck by a bullet. Her daughter believes the shot originated at the old baseball field area. She doesn't know if the shot was accidental or deliberate. Mr. and Mrs. Sanom were understandably upset and they expressed their belief that the Association was responsible since we did not stop people from using the baseball diamond as a place to practice shooting. Mrs. Sanom stated that she consulted Nick Torski at the DNR who told her that since there is no back stop, there is no place safe here for target practice. Mary clarified that the baseball diamond is not a shooting range. Mr. Pat Sanom recounted the history of the baseball diamond. According to Mr. Sanom people are shooting indiscriminately in that area and he thinks the Association is responsible because of 'neglect of control over hunting, shooting, ORVs and many other things'. He recommended that we pay his daughter's deductible. If we don't pay, Mr. Sanom said he would file a small claims lawsuit. In addition, the Sanoms want the ball diamond cleaned up and signage prohibiting shooting installed. Mrs. Sanom said she would submit the repair bill. Judy requested a copy of the police report which Mrs. Sanom said she would provide. The Officers will contact our attorney about the incident and to see what can be done to protect our members.

(Dana left at 10:15)

-Cory reported that he has been looking at doing something with Elk Island to make it more usable as a destination place for boaters. Cory would like to clean up dead trees and to create a beach. Cory stated that he checked with MDEQ and we can do whatever we want without permits. Mary wants access improved but, is opposed to development. She pointed out that Elk Island is the one pristine park on the lake; that it was well-used before the lake level came up; that we are not adequately maintaining our existing parks; that beaches are not good for the lake; and that the slope of the island's hill would require clearing trees, building retaining walls, and backfilling in order to create a beach. Tom appreciates the natural state of the island, wants to

preserve the forest, and noted that it is not currently accessible to walkers or boaters. He would like access improved and hopes we can arrive at some compromise. There was no opposition to removing dead trees. Cory reported that MDEQ allows us to remove dead trees but prohibits removal of root structures. Ron would like to make improvements that would make the Island more accessible and useful to members. He stated that the park was a very popular destination years ago and that a cement boat ramp still exists. He said that the causeway that normally gives access to walkers is currently underwater, and that the MDEQ will require permits to fix it. More planning and pricing will need to be done so the issue has been tabled.

Adjournment: At 11:30 Marcia moved to adjourn. Ron seconded the motion and it passed unanimously.

Minutes submitted by Mary Davignon, LAPOA Secretary
Approved 12-2-2017