

Lake Arrowhead Property Owners Association
Board of Directors Meeting Minutes
December 2, 2017

-The meeting was called to order at 9:00 a.m. by President Chris Speen.

-Attendance: All board members were present except for Tom Rozycki, Marcia Schick, and Dana Stubli, who were all excused and Kyle Stubli who arrived slightly late. Contractors were all present except for Dana Stubli who was excused.

-Minutes: Ron Race moved to accept the minutes of the October meeting as amended. Connie Stubli seconded the motion and it passed unanimously.

-Treasurer's Report: Judy Race distributed the "Profit & Loss Budget versus Actual" and "Current Assets" reports dated 11/30/2017. She reported that we should meet our budget so long as we are not hit with any unforeseen big expenses. We have collected 87% of our 2017 dues which is an improvement over previous years. It's really good to see people paying on time. Gas well income will slightly surpass the \$10,000 for which we budgeted. Gas well revenues have declined through the years and are somewhat unpredictable. Judy would like to reduce budgeted gas well revenues so that we no longer count on them. Past due assessments are also coming in well. The Campground did very well this year.

(Kyle arrived at 9:07.)

Road maintenance expenses continue to be a concern. Expenses were up because we had to bring in an outside grader and brine has become very expensive. Judy will work with Chris to see what can be done.

Mary moved to accept the Treasurer's report as presented. Ron seconded the motion and it passed unanimously. Judy reminded us that the next meeting is the budget meeting and asks that any requests for increases in department budgets be submitted to her by the beginning of January as she will be working on the 2018 budget.

-Collection Committee: Judy reported that we are doing well with collections. She recently went to court on three cases and we were awarded judgments and all of them. We still need to collect on one of those. Most people pay what they owe right away or make payment arrangements. Connie reported that she has experience with garnishments and offered her assistance if that becomes necessary.

-Gas wells: Dave Johnston reported that Breitborn is currently undergoing bankruptcy and that should be finalized in January.

-Real Estate: Dana was not present to report. Mary reported that properties are selling and we have several new members.

-Roads, Grounds, & Equipment: Contractor, Tim Wheaton reported that the truck is back from Zarembas and is "ready to rock and roll." The sander is fixed. Chris suggested a line item for Zarembas to go through. Tim reported that the old Kabota tractor (which is still used) will need new front tires next year. Potholes are an issue this time of year. Tim reported that we cannot haul gravel in the winter because it is frozen and gravel placed in potholes on frozen roads just comes out.

-Pool: The pool is closed.

-Parks: At our last meeting Kyle submitted a bid for a new boat launch dock and the matter was tabled until more bids could be obtained. Ron obtained an "apples to apples" bid from Gilroys which was much lower than the bid from Boltman Docks. We also learned that Gilroys will install the dock for \$25/section which is a going rate. Cory Ames made a motion to accept the bid as written from Gilroys which will include a new dock, plus two additional sections, and a wheel kit. The amount budgeted is not to exceed \$4,800 and funds are to be taken from the Lake Improvement Fund. Ron seconded the motion and it passed unanimously. The old dock will replace the wooden dock on Little Bear Lake.

The swim raft needs to be replaced. This will be tabled until the February (budget) meeting. It was reported that a raft on Little Bear Lake is broken, but that it belongs to Tom Lynch, not to the Association. It was not in the water when it was placed there. It is estimated that Little Bear is about 10-15 feet at its deepest location.

Judy requested that Kyle get prices on new picnic tables for the boat launch park and report them to her.

Carolyn asked again about water diversion plans for the old “merry go round” park. No plans have been made. It will be studied further next Spring to see how best to divert water. Chris will help with this.

-Environment & Zoning: Carolyn had no report but there were a couple complaints by members about two properties. One has numerous unlicensed vehicles, the other has a truck with no wheels which is balanced on one jack and could be a hazard to neighborhood children. Carolyn will inspect the properties and letters will be sent to property owners. If the yards are not cleaned up we will follow up with the county.

-Building Maintenance: We were told by a heating contractor that the Maintenance Garage furnace needed replacing. Ron sought a second opinion and it turned out to be an easy and inexpensive fix. Apparently, the pilot orifice gets fouled if the furnace filters are not changed monthly. Ron will make sure these are changed monthly and will keep a record of the maintenance.

Ron shared photos of the new spoils area fencing and signage. So far nobody has messed with it. He also showed a photo and of an underwater dock on Buhl Lake. The lake is still coming up. Ron removed one fence section from boat launch that was in the water. Tom and Ron are developing a monthly check list of maintenance jobs. Ron distributed a written report of the many maintenance jobs that he completed.

Ron Race showed the board a video of three young men who hopped the pool fence after the pool was closed for the season. One young man ran and jumped on the pool cover while his friend photographed him. One young man was easily identified by several board members. Fortunately, the pool cover was not apparently damaged and no one was injured during the incident. Ron requested guidance from the board on how to handle this. The consensus of the board was that the parents of those who could be identified should be notified by certified mail; they should be provided a copy of the security photo; and records should be kept of the incident and notification(s) on those members accounts. Cameras also caught images of a member who left four containers of used motor oil at the dumpster. To prevent a hazardous waste spill the oil was removed. The man was identified and Ron will draft a letter to him to pick up the oil and to discard it properly. Ron also stopped a man who was in the process of discarding a furnace behind the Maintenance Building.

Ron will draft the letters and get approval of the Officers before Mary sends them out via certified mail. Copies of letters (no images) will be sent to the board.

Roof bids were discussed and will be tabled until Tom is here.

Ron reported that there have been some problems with water samples showing contamination at the Office. He is working with the Health Department and is trying to find the source of the problem. A gentleman from the Health Department said that there has been an increase in the number of contaminated wells that they are finding across the state. This may be due to the increase in the water table. Radon testing was also discussed.

-Building Control: Stephen Besson reported that he has received only one building permit request recently. The schematic was for an interior project and no outside drawings were submitted. (Secretaries note: See the “Real Estate & Maps” page of our website www.lapoa.com for information about building in Lake Arrowhead.)

-Campground: Ron presented proposed changes to the LAPOA Campground Lease and Rules that Marcia had requested regarding rules while permanent campers are away for a short time. The rule changes would allow temporary electric connections for an additional \$1/day and temporary, short term ATV storage. Dale pointed out that if people leave vehicles on their lots for the allowed period of time, they may have to mow their own grassy areas. Ron moved to accept the proposed changes to the Campground Lease & Rules for 2018. Mary seconded the motion and it passed unanimously. Mary will post it to the website.

Judy reported that there were some complaints of discrepancies in the Campground annual waiting list that Marcia manages. Judy recommends that any waiting list requests be dated at the time of the request and the request forwarded to the Office. Carolyn recommends publishing the list on our website so that the list is very transparent

-Lake Improvement Project: Chris Speen reported that the lake continues to rise. Fencing and signage has been installed around the spoils area. The floating buoy at the channel worked out well.

Social Committee: Cory Ames reported that the Halloween Activities went very well. The board thanks Patti Gates and all the volunteers for once again organizing it. Cory suggested that we consider building a social hall for social activities in conjunction with Marcia’s request for an additional building. Mary explained that the

Board has already given permission for the Office Building to be used for social events. Improvements to the building were discussed. Currently there is no budget for social events and that should be changed.

-Long Range Planning: No report.

-Forestry: Gordon Wearsch presented a brief video about forestry management and distributed a map of our forests. He told us that there is always an initial shock after harvest, but that selective cutting improves the health of a forest. In MI there is no need to replant. The trees grow back naturally. He has no interest in clear-cutting. Gordon recently met with Gary Smolinski who was recommended as a forestry expert. Mr. Smolinski and Gordon spent four hours inspecting our forests. To summarize his report: The previous cuts to the forest along Arapaho near Hayes Tower and have helped to make it a very healthy stand. So far there are no signs of the maple disease that is now prevalent in Michigan. Maples are at peak value once they get to 20" in diameter and ours are ready for selective cutting. Beech trees throughout Michigan are dying from Beech Scale Disease and the DNR recommends that they all be cut down. We can still get money for ours providing they are harvested before they fall. Popples over 20" in diameter should be harvested before they fall and inhibit growth of other trees. Stumps can be left. Jack Pines could use thinning.

Gary recommended a forester who will come out and work with Gordon. The forester chooses the trees, markets the wood, and hires the logger. Stand #3 is a high dollar, picturesque area of Lake Arrowhead that must be carefully managed. A nice stand of maples there at our main entrance is desirable. Selective cutting there may bring in as much as \$1,500/acre. We have 53 acres of forest in stand #3.

Gordie's recommends that we concentrate on Stand 3:

-Thin maples, selectively removing mature trees and some small ones.

-Thin along Arapaho to open it up and bring more sunlight onto the road.

-Preserve large heritage pines that original loggers never touched.

-All beech trees should be cut. Value is in the wood and they will be worthless once they fall.

-Bass wood over 12" and smaller, interfering trees should be removed.

-Poplar and Jackpine are not currently valuable on the market but may become so once the plywood plant opens in Grayling. We should re-evaluate this in another year.

Gordie wants to get another opinion from a forester before doing anything. He is looking at grants and at other forest management programs. We have a program already but it is slightly outdated. It is too late to do any cutting this year but Gordie wants to be ready to do selective cutting next winter. It is best to cut trees in winter when trees are bare and logs are easier to transport. Some concern was expressed because the last harvest did not go smoothly. Gordie answered questions and concerns from the board. The board appreciates Gordie's diligence and encourages him to move forward.

Unfinished Business:

-Fences: The consensus of the board is when we receive a complaint about a fence we will notify owners that they are in violation. Lake Arrowhead does not have the resources to pursue legal action on each old case and in most cases we will leave it to the owners of neighboring properties to pursue legal action if they object to a neighbor's fence. Mary can post the fence deed restrictions and photos of suggested styles of fences. It is unknown if anyone years ago approved the few fences that are in violation or if the members simply erected them on their own. Moving forward we will enforce deed restrictions and follow up with the county.

-Line of credit: Judy is still working on it.

-Elk Island: Nothing to report. Cory suggested having a forester look at that forest; cleaning up the shoreline, and creating a fish habitat.

-Shooting incident: Judy and Ron spoke with our attorney who said that the Association bears no responsibility for the incident or liability for the damage done to the vehicle. The person who pulled the trigger is the one responsible. He recommends that we do not post signage prohibiting shooting or hunting as that would place a burden on us to monitor the common grounds and potentially make us liable. Mary and Judy both requested copies of the police report from the Sanoms. Judy was told that it had not been completed.

New Business:

-Mary was shocked at the size of the puddle (after hard rains) at the Maintenance Building and requests that something be done to improve drainage. Ron has been concerned with this issue as well. We had been informed that it couldn't be fixed because the septic field was in the way. Ron met with the health department and the septic field does not come into play. He fees that he, Tim, and Ron Jr can fix the problem in the spring with minimal expense. -Judy complemented the board and thanked them for their input and hard work that is being done here and behind the scenes.

-Kyle asked why Lakes of the North people are posting on the Lake Arrowhead Nextdoor site. Mary explained that despite being marketed to us as a "Lake Arrowhead only" site, and without our knowledge or consent, Nextdoor joined us to Lakes of the North. Ads are also now popping up to finance Nextdoor. Mary complained on behalf of the Association to Nextdoor about the neighborhood change but they won't change it back. If you don't want to see posts from Lake of the North, you can change your settings.

-Adjournment: At 12:05 Ron moved to adjourn. Kyle seconded the motion and it passed without objection.

Minutes submitted by Mary Davignon, LAPOA Secretary

Approved February 3, 2018