

**Minutes of the Lake Arrowhead Property Owners Association
Board of Director's Meeting
August 6, 2016**

-The meeting was called to order by President Ron Race Jr. at 9:00 a.m.

-Attendance: All board members were in attendance except for Dwayne Crocker and Dave Johnston- both who arrived slightly late. Contractor Tim Wheaton was present. Eva and Dale were excused. (Dave arrived at 9:03)

-Minutes: Ron Race Sr. moved to accept the July 2, 2016 board meeting minutes as amended. Brook seconded the motion and it passed unanimously.

-Treasurer's Report: Treasurer Judy Race provided her report. Of concern are the gas well revenues. Although we only budgeted \$15K this year, revenues are coming in substantially lower than expected. Judy expects a budget shortfall of \$3K-\$5K. Road maintenance is running more than expected. One unexpected expense was the cost of repairing roads after they were washed out last month. Repairs cost approximately \$6K. (Dwayne arrived 9:08.) We are currently holding approximately \$50K in lake project funds, and monies are still being collected. We still have a major expense coming up to restore the containment area. There should not be a tax liability on the lake funds because those funds were moved to deferred income. The Campground had a pavilion built and had a well issue that used up most of their savings. They have had good attendance and are on track for a balanced year. An approximately \$1,400 insurance claim was made to pay for the damaged trailer that was previously reported upon. Former LAPOA Secretary and President Sue Fuller passed away. Flowers were sent on behalf of the Association and several members of the community were able to attend the funeral. Judy read the letter of thanks from Gary Fuller.

Mary moved to accept the Treasurer's Report. Anita seconded the motion and it passed unanimously.

-Collections Committee Report: Judy Race reported that a couple cases went to court recently and were settled. One person is paying down their overdue account by using our credit card option. The committee will be preparing a new batch of cases to bring to Small Claims Court next week.

-Minerals (gas wells): Dave Johnston reported that gas well revenues are way down because the market is flooded and companies aren't pumping gas. A turnaround is expected in 2017 because some coal plants are shutting down and electric companies will be switching to natural gas.

-Real Estate: Dana reported that quite a few Lake Arrowhead homes have sold in the past year. On August 15th some county-owned properties will be auctioned. Another auction will be held in October for those properties that don't sell in August.

Chris Speen reported that someone is interested in purchasing several adjoining lots (4350, 4351, 4352) at auction that are not all currently serviced by one of our roads. Do we have to build a road? Our attorney was consulted and said that we do not have to build any roads but we do have to maintain roads already in existence. Chris consulted some members who told him that those lots in question have never had a road. Ron Race agreed and said that it was never developed. Our maintained road comes up to one of the three lots and provide access, and we will continue to maintain it.

-Roads and Maintenance: J&N had to be hired to do road repairs after the washout. Chris wants to add a STOP sign at Pueblo at Oneida. It is a three way intersection and only has one STOP sign. This is not board action. There was a discussion about the STOP sign at Iraquois and Shiawasee. The steepness of Shiawasee makes it difficult to stop and get going again so the STOP sign will be moved to Iraquois. Newly painted street sign posts can be damaged by weed whipping. Tim will switch to using a Roundup product a few times per year to prevent weeds and damage. Tim will again start cutting back the weeds along roads. Brine will be ordered and roads brined as soon as it is available. Ron Race Sr. asks that illegal trash left at dumpster be cleaned up more frequently as junk left there seems to attract more junk. Tim will clean it up daily, but time will vary.

AGS Road Report: The report calls for lots of repairs and improvements and we cannot afford everything at once. Chris suggests that we establish a priority of projects and suggests #1: Arapaho. This is the main road for everyone and it must be preserved. Cracks need immediate attention. # 2: Equipment. The belly blade on the truck is not able to crown roads appropriately. The tractor is too small and should be replaced. Do we want to

buy a grader or hire people to come in annually? There was also a discussion about stone and other road issues that need to be addressed. Chris will continue to research replacement equipment and provide prices at our next meeting. Dwayne asks that board members report road issues and help prioritize them (in conjunction with the AGS report). We can then address problems in order of priority. Dwayne moved to have Chris seek three bids and to choose a contractor to fill the cracks on Arapaho before winter; and to allow him to spend up to \$25K on that project. Judy seconded the motion and it passed unanimously. Member Dave Burley pointed out that the Roads Report (pg. 11) also called for shoulders to be rebuilt with new gravel in some areas along Arapaho. Chris will consult with Jeff at AGS on that. If repairs are only needed on curve, Tim can handle that. Dave Burley also stated that some of the work that needs to be done has been done in the past with equipment we now own. He is concerned that road shoulders are being pushed further and further onto private property and suggests that excess gravel be reclaimed and redistributed, roads crowned, and brush and trees trimmed and cut back. He suggests two priority lists: one immediate, and one long term.

Marcia Schick asked clarification on whether Campground roads are to be maintained by the Campground or by Lake Arrowhead. They are Association-owned roads and are maintained by the Association. Marcia asks that the Campground pot holes be filled and gravel brought in. Member Steve Besson suggests curing pot holes by filling them with rocks and covering with sand or gravel.

-Pool: Ron Race Sr. reported that we had the pool septic tanks pumped. Tree roots had infiltrated and had to be dug out. Lines were checked and a riser was placed on one of the two tanks. It's all in good shape now. It cost approximately \$500. There was a complaint that children were getting abrasions on the bottoms of their feet after spending a lot of time in the pool. (This is pretty common in concrete pools.) The shallow end bottom of the pool was sanded and that corrected the problem. The deep end will be sanded after the pool closes. We are getting many compliments on the pool. Kudos to Judy and Veronica!

(Connie Stubli left at 10:30)

-Parks: Kyle reported that playground equipment and fences have been painted. (They look great!) Vandals kicked boards off about eight sections of the fences at the main park. Some dead trees, mostly birches, were removed. The next big project will be to remove the half-buried merry-go-round and fix the swing at one of the south end neighborhood parks. Parks has purchased the grill that we use at the picnic. It can also be used for other LAPOA events. Please remind people of quiet time on lake. The little raft will be repaired. Swimming area will be cleaned out. Prevailing winds blow trash ashore there.

There is a park on Red Wing Court that few people know about. Kyle and Dana will find stakes, get it cleaned up and get fences erected. Ron Race Sr. pointed out that kids on ATVs are cutting through the main park and we may want to add a fence at the problem location.

-Building Control: Please remember that permits from Lake Arrowhead must be obtained before applying for county permits on any new construction projects. The county is normally good about not issuing permits without our OK. Judy asked Nelson Wheaton to have permits scanned and stored in the Office before issuing.

-Environment and Zoning: Anita Wheaton reported that the lot on Cochise Trail has been cleaned up. A letter has been sent to Mr. Young about lots that are filled with junk. Letters have been very effective. Mary asked if anything can be done about the pontoon boat that has been left to rot on a lot near the end of Arrowroot Trail, and about the trailer that is still on David Dean's lot. Anita will look into them.

-Campground: Marcia Schick asks that we remind people of the 5MPH speed limit in Campground. Permanent sites are full and there is a waiting list. Thank you to all for the deposit bottle and can donations. The Campground does accept reservations.

-Lake Improvement: Chris Speen expressed thanks to Kyle and Dana for taking the phragmite eradication contractor around the lake. A few invasive phragmites were found and they will be sprayed this fall. We have seven years left on our monitoring contract and are getting a 75% discount. The lake level appears to still be rising. The containment area is still draining but it is still very deep. Please keep out of that area. A member asked about stocking the lake. Kyle reported that the lake was stocked last fall with hybrid bluegill, croppie, and bait fish at a cost of \$8K. Anita reminded us that as the Lake Arrowhead population has grown, the fishing stress on the lake has also grown.

-Forestry: Dana asked Brook to look into why Great Lakes Energy sprayed in subdivisions on private property. Dave Burley asked about our Forestry Management plan. Things were cleaned out several years ago and are growing now. Tree cutting that was planned several years has been cancelled.

-Social Events Committee: Brook Winiger and Cory Ames each have great ideas for events. Anita requested children's games at picnic. No funds were budgeted for the Social Committee so Brook will need to come to the board for money. The goal is to become self-funding.

-Communications: We have nearly 140 members on Nextdoor. Mary asks board members to contribute to the newsletter and to submit articles and photos by August 26th for the September newsletter. No ads have been received yet. Dwayne asks that board members be given a week to proof the Draft newsletter before publicizing. Mary can usually accommodate this, but may not be able to give that much time for the June (printed) newsletter.

-Long Range Planning: Dwayne reported that the emphasis will be on the roads.

-Technology: Dwayne reported that the wifi system has been expanded and that we are now monitoring and recording motion activated images at the dumpster and (after hours) at the pool. The system captures images of the person's face and vehicle. Pictures are taken at 5 second intervals and are automatically uploaded to the cloud where they are kept for 30 days. Our written policy is still being finalized. There was a discussion about who should have access to the images. Brook suggested that anyone on the board should have access. The board already decided that we will have three people to monitor the security images and to go back to review images if there is a problem. Currently President Ron Race Jr., Ron Sr., and Dwayne have access. Kyle reported that a man who was caught for illegal dumping at Lake Arrowhead was prosecuted and fined \$2K. We have not received any restitution. Ron Race Sr. believes that much of the trash is coming from Lakes of the North.

- Contracts: Contracts have not been agreed upon and the board has not seen the proposed contracts. Dwayne moved to extend the current Financial Committee, Office Manager, Financial Manager, and Accounting Agent contracts until the October board meeting. Ron Race Sr. seconded the motion and it passed unanimously. Judy will forward copies to all board members.

-Association Rules: There was a discussion about changing the Lake Arrowhead rules. Proposed rule changes include changing: "dogs" to "domestic animals," limiting the mooring of boats at parks to "72 hours in any seven day period," clarifying parking on roads and at boat launch, deleting the last sentence of the rule that pertains to foul language, and placing the vacant parcel addendum into the body of the document. Dwayne moved to approve the rule changes. Brook seconded the motion and it passed unanimously. The rules should be sent out with the Welcome Letter.

-New business:

Ron Race Sr. reported that the dry hydrant pipe is broken and the end is sitting in the mud. He partnered with the Fire Chief and is assured that it is our responsibility to fix it. Ron will see that it gets fixed.

Ron Race Sr. got a quote from Speed-Tech Equipment (service provider for our compactor) of approximately \$1,500 to put a key pad on our dumpster. The door would be locked until a code was entered. The door must be then closed before operation is possible. Based on the age of the compactor we could also purchase a preventative maintenance program for \$375. Ron researched and visited other facilities. He thinks a key pad would initially lead to a bit more trash being left by the dumpster, but that it would diminish and CCTV could assist with enforcement, and ultimately curb trash being left by outsiders. A code would have to be mailed to members during the Association dues process in order for members to use the dumpster. This would not happen until the March mailing so no action is needed now. Ron thinks our opportunity is with the cost of emptying the can 2 and 3 times a month since our small community is not generating this amount of compacted trash. Funds would come out of the dump budget.

-Adjournment: At 12:20 Ron Sr. moved to adjourn. Anita seconded the motion and it passed unanimously.