

Approved Minutes of the Regular Meeting on September 25, 2015

BLUE LAKE SPRINGS HOMEOWNERS ASSOCIATION
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

Directors Present: President Kevin Andel, Vice President Michele Stahlberg, Treasurer Mike McAtee, Secretary Linda Penney, Director Jimmy Cooke, and Director Chris Gosswiller by conference call.

Director Absent: Director Bob Podesta

General Manager Tony Abila Assistant General Manager Marsha Hampton absent

President Andel called the meeting to order at 9:05 a.m.

1. Member/Guest Introduction: None.

2. Member/Guest Comments: None.

3. Consent Agenda:

a) Approval of the Minutes of the August 15, 2015 Regular Meeting:

Director Cooke made a motion to approve the Minutes of the August 15, 2015 Regular Meeting. Vice President Stahlberg seconded the motion. The motion passed unanimously.

4. Committee Reports: Acceptance of Committee Reports:

Vice President Stahlberg made a motion to accept the Committee Reports. Treasurer McAtee seconded the motion. The motion passed unanimously.

5. President's Report:

I want to start my comments with a huge thank you to the 4,000 plus firefighters for their heroic efforts in containing the devastating Butte fire. As of this morning the fire is 93% contained per the Cal-Fire website. I know I can speak on behalf of the Board members and say our thoughts and prayers go out to all of those that have lost homes and property. And especially to the families of the two people that lost their lives.

I also want to commend our management staff for their conduct throughout the fire and the advisory evacuations of Arnold & Blue Lake Springs. Most people I have spoken to found the overall communications throughout the community confusing at times. In this time of social media there was a lot of information going around, some helpful, but not all of it accurate. We, Blue Lake Springs HOA, took the position of only sharing information from local and/or Federal agencies. We were able to make information available on our website and through email blasts. I have personally been given positive feedback on our approach from members.

The Lodge was safely secured and staff was released to go home and ensure their families and homes were secure. I appreciate each of our managers checking in with their employees during our closure. Our staff is extremely important to us and their wellbeing is a top priority. As in any

emergency of this nature we want to see where we could have done better. I am asking our GM, Tony, to set up a debrief meeting to review our processes so we can be as prepared as possible to handle any type of future emergency in the best manner possible.

I want to express my appreciation to the Board for their flexibility as we changed the September meeting date due to the fire. I'm not sure when the last Board meeting was held on a Friday, but I'm guessing it's been a while. At one point I was wondering if we would be able to assemble a quorum. During the past week we have experimented with connecting board members that are not in town via Skype. One result of the fire that started sixteen days ago is a better way to connect Board members to meetings electronically.

As we get back to business I am looking forward to the Long Range Committee report with their recommendation to rebuild the bathrooms at Fly in Lake and an update from the Finance Committee on the 2016 Budget and Reserve Asset projections.

I also want to use this time to speak about the number of dead trees on our property, all as a result of the bark beetle, and the fact we now have another unanticipated expense for their removal. This will be costly and serves as another example of why we need to maintain an adequate amount of money in our Reserve account.

I'll close by thanking Pete Padelford for his tireless work in keeping our community safe from fire. If we ever received a wakeup notice it was from the Butte fire. We are close to seeing work started from the recently acquired grant called the Shaded Fuel Fire Break. And another thank you to Doug Nunes and Louise Cooke for their efforts to see we remain a "Firewise" community.

6. Manager's Report: Manager Abila gave the following report:

The Reserve Study is complete and has been submitted to the Board.

The Association litigation cost for the lawsuit to date is now \$27,000 +. The court date is scheduled for February 2016.

Both lakes are now closed for the season and the sand is being dragged into piles. The well house on well #3 will need to be demolished in order for the drilling company to proceed with drilling.

The spring at Fly-in Lake has not been running for three weeks.

The restroom at Fly-in Lake has been completely gutted.

There are thirty-one dead trees on BLS property to date. Tri-County Pest Control has sprayed all the trees on BLS property for a cost of \$2,800. The dropping of the dead trees will take place in about six weeks. The trees are stressed and weak due to the lack of water.

The Restaurant continues to do well, however September numbers will be down due to the fire. Dining was canceled both nights during the advisory evacuation.

President Andel commended Recreation Director Judith Anderson for her 'end of summer' Report and the new Assistant Recreation Director for the fantastic job she did this year.

7. Treasurer's Report:

a) **Financial Review YTD:** Treasurer McAtee gave the following report:

YTD income is \$964,169 or (0.3%) under the budgeted amount. Expenses were \$893,052 or (4.7%) under the budgeted amount. YTD net profit was \$41,698 or 141.7% better than the budgeted amount.

8. Committee Reports:

A. Finance: Treasurer McAtee gave the following report:

The Finance Committee is working on the 2016 Budget. There will not be a Special Assessment next year, however there will be a small increase in the yearly HOA Assessment. Vendors have increased their prices; the minimum wage has been increased starting in 2016 and there is also future litigation costs to consider. Treasurer McAtee commended Manager Abila for the excellent job on the Reserve Study. The conclusion of that study, showed that the Reserve Account for replacement items is inadequate and must be increased.

B. Summer Recreation: Vice President Stahlberg reported that she will be meeting with Recreation Director Anderson this afternoon. They will be taking into consideration the member suggestions from this summer.

C. Events Committee: Secretary Penney informed the Board that the Mystery Dinner will be October 17, 2015 and is sold out. Director Stahlberg reported that she and her helpers would be decorating for the Holiday Brunch before Thanksgiving.

D. Architectural Review: No report.

E. Facilities/Long Range Planning:

a) **Update on Fly-in Acre remodel concept. Approval of Cost List:**

Treasurer McAtee presented the final version of the floor plan for the Fly-in Lake restrooms. The work is progressing with the BLS maintenance staff doing all the initial work, saving the Association money that would have been spent on outside contractors. The estimated cost of this project will be about 1/5 of what was budgeted five years ago. Once the walls are knocked down, the roof will be installed. The roof will be done by an outside contractor.

Treasurer McAtee made a motion to approve \$30,000 for the remodeling of the Fly-in Restrooms. Vice President Stahlberg seconded the motion. The motion passed unanimously.

There was an in depth discussion on the repair of the amphitheater; extending the parking lot; and providing more space for the recreation check-in point during the summer. Long Range Planning will be looking at each of these projects.

F. Snowflake Lodge: Secretary Penney was concerned about having the funds available for decorations for the Lodge due to the lawsuit. President Andel responded that we are in good shape financially going into October but he would recommend being careful to stay within the budgeted amount.

G. Special Projects: No report.

9. Old Business:

a) Update on member legal litigation on Assessment Dispute: Manager Abila gave the following report:

The ruling on the Preliminary Injunction: The member was denied the Preliminary Injunction.

10. New Business: None.

11. Member Comments: None.

12. Correspondence: President Andel will call a member that had a complaint about the duck poop on the lake docks. Manager Abila informed the Board that during the summer the docks are cleaned every day. He also stated that the water condition in the lake is not good and no one should be swimming in it. There are signs posted around the lake warning people of this.

13. Action Items:

There was an extensive discussion about how BLS and other agencies handled disseminating information during the Butte Fire event. Manager Abila informed the Board that each Department Manager has written up an evaluation on how their department handled the fire situation. He further stated that a protocol will be developed for each department.

14. Closed Session:

- a) Delinquent Accounts: One delinquent account was discussed.
- b) Legal: No discussion.

15. Open Session:

The Board made a motion and voted unanimously to reallocate assessment to Bad Debt for APN#024 006 022, in the amount of \$2,048.00, delinquent for eight years.

16. Adjournment: President Andel adjourned the meeting at 11:30 a.m.

Respectfully submitted,
Recording Secretary Marsha Hampton
Approved for Posting: October 17, 2015