

Approved minutes of the regular Board of Directors meeting September 15, 2018

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

1. **Call to order:** 9:00am
2. **Roll Call:** Directors Present: President Mike McAtee, Vice President Bev Vasquez, Treasurer Bruce Utter, Secretary Denny Clemens and Directors Doug Hjelmhaug, and Guy Pollak Absent: Director Steve Pollock
Staff Present:
General Manager- Tony Abila
Assistant General Manager- Amber Meyer
3. **Member/Guest Introduction:** Members from the following lot/unit numbers attended the meeting: 022-01, 230-02, 740-05, 043-11, 140-13
4. **Member/Guest comments:** Member/Guest comment on addressing the garbage spills in the subdivision. Another member commented on communication between the Association and the Membership. It was suggested all information be emailed rather than posted on the website. President McAtee commented that the Association emails most, if not all information already. Another member commented on their concerns regarding lots that still have not been cleared, or ignored, and the ramifications if any for these properties. Member commented about ADA compliance. President McAtee mentioned although the Association is not mandated to follow ADA rules, it does everything in its power to make sure there is access available for everyone. Member comment on the possibility of making Bear Boxes mandatory. Comments were made that although some rentals require bear boxes, people are still not locking them, or leaving the recycle can out, or leaving garbage out on purpose to draw the bears in to take pictures. Member commented on contingency plans for when the Lodge property becomes over crowded. Comments were made that Fly-In has become more attractive to draw the crowd to that area with the new fee structure and lake only pass. Member comment about his neighbor renting out his property to short term renters, and those people causing noise pollution, having parties, leaving trash, etc. and what can be done to bring attention to owners who rent out properties to take responsibility for the people who rent their cabins.
5. **Approval of Minutes of the Regular Board Meeting August 18, 2018 meeting:**

Secretary Clemens motioned to approve the minutes for the August 18, 2018 meeting. Treasurer Utter seconded the motion. The motion passed unanimously.

6. Presidents Report: President McAtee gave the following report:
Good morning fellow board members. Once again we have made it through a very successful summer recreation season. I would like to thank Judith Anderson and her staff for the great job they did this year. It is not easy to conduct a successful program when you are struggling to maintain a full staff, but she did it. And, as you will hear from our Asst. GM, Amber Meyer, last

month our restaurant enjoyed its first profitable month in its history. That was a real accomplishment and hopefully can point the way for more profitability in the future. Now that the crowds have gone for another season, our maintenance crew can work in earnest on completing the amphitheater and other improvements around our properties. As you drive by Fly-In Lake you can see the work they have been doing to clear the meadow and to prepare for the walking path, par course, dog run, and disk golf course. All should be ready for member use next season.

The HOA is still having issues with garbage spills. Today we will discuss a change to our By-Laws to enact a fining policy to deal with this issue.

Our finance committee is close to finalizing our budget for 2019. You will hear more about that in Finance Committee report this morning. And the Restaurant Committee has finalized its report and will present that to the board today.

I would like to thank the board members and our non-board members who serve on our various committees. As all of you know, the real work of the HOA is done at the committee level, and I appreciate all of the hard work our committee members have put in this year. It would be impossible to move forward effectively without your active participation.

Mike McAtee BLSHA President

7. Manager's Report: Manager Abila reported

- Fly-In Lake: Water level at spillway has dropped over 1 foot. Beach area is down over two feet. We have not received updated water report from the lab
- Amphitheater Project: Railing has been installed and the last two sets of seating are being framed for concrete pour
- Lodge Generator: New bid is being worked on to just run the kitchen refrigeration. In speaking to the contractor, they explained the electrical panel that covers all of the refrigeration also includes the kitchen lighting.
- Food Service: August was busy for the restaurant, although staffing remains an issue. The Snowflake Lodge sales, along with extra outside events this month allowed for the restaurant to have a profitable month.
- Summer Recreation: Online Store is up and running, with advertising scheduled to go out on a monthly basis to help market the store. 12% of the profits from purchases comes back to the summer recreation department. Fly-In lake sold a total of \$3000 in passes over the summer season.
- Delinquent Accounts: Progress has been made in collecting from delinquent accounts
- CC&Rs: Violations this month include 18 properties that are non-compliant with the PRC code. Thomas has been working with the homeowners to comply, and he is working hard in bringing everyone up to speed. 48 Garbage spills have been reported and are being tracked by administration. Some are repeat offenders, and the Association is looking at ways to be able to manage and enforce clean up on these spills. The easiest way to address would be to do a Bylaw change, which would allow 24 hours for the owner to clean up, and if the owner does not, Association staff would clean it up and charge a fine to the owner. President McAtee asked for a motion from the board to have Manager Abila work with the Association Attorney draw up the wording for the bylaw change and bring to the Board at the next meeting. Once the Board reviews and approves the change, it would go to the membership for vote.

Treasurer Utter motioned the Board have Management work with the Association Attorney to draft a bylaw change for dealing with garbage spills. Vice President Vasquez seconded the motion. The motion passed unanimously.

8. Treasurers Report:

Financial Review: Treasurer Utter reported in looking at the end of year budget projections income should come in about 2% over budget. Expenses are projected to come in 10% under budget. Restaurant projections come in at about a \$90,000 loss this year versus \$102,000 loss from 2017.

9. Committee Reports:

- A. Finance:** Treasurer Utter reported there have been 4 meetings so far. It looks like the committee will be ready to submit a budget to the Board for approval at the October meeting. There is \$100,000 budgeted for legal fees for 2019. President McAtee reported that although the lawsuit concluded with the Association prevailing, the Member involved in suing the Association has filed an appeal. The Association has been advised the appeal process could last 12-18 months.
- B. Summer Recreation:** Director Hjelmhaug reported the Summer Recreation report was submitted to the Board by Rec Director Judith Anderson and was comprehensive. Director Hjelmhaug mentioned the demographics of membership has changed and future activities will be geared towards those with younger children.
- C. Events Committee:** First meeting was held in September; events are well underway. Bridge groups are meeting regularly, Texas Hold-Em started again and was well attended. Fall Event "Oktoberfest" will be October 20th, menu voted on at last meeting. Looking into wine tasting event to coordinate with the opening of the amphitheater.
- D. Architectural Review:** n/a
- E. Facilities/ Long Range Planning:** Conversion of lot on HWY 4 and Moran- No response from the BLSMWC if they want to use the property. Lodge Lake property parking lot- on hold for now. Generator for Lodge- Another bid has been requested just to cover just the kitchen with a smaller generator. Membership Survey Update- Approximately 294 survey responses have been received to date. Elevator commercial elevator is needed and would cost \$20k for the unit with installation costing another \$10-20k. The idea was dismissed as too expensive. Bylaw change- Fining for garbage spills; The LRPC is returning this possible change to the bylaws back to the Board of Directors. Float Rail/Storage at Fly-In- Will be discussed at the next meeting along with possible size limit on floats. Acquisition of Lot next to Fly-In Lake- The realtor will contact the seller to determine the sales price. To be discussed at next month's meeting. Purchase of BBQs for Fly-In Lake to be referred to the Finance Committee for inclusion in the 2019 budget. Advertisement of Liquor Lockers to the to remind people not to speed. President McAtee to contact our Tony obtain prices for aerial 3-D photos to utilize for development of the BLS master plan of both properties
- F. EPPOC:** Meeting minutes were sent to the Board
- G. Fire Prevention Program:** Discussion was had regarding those properties that are in violation of PRC 4291 and CC&Rs, have still not cleaned up and what happens next. Those in violation have been forwarded to Cal Fire, as well as sent a notification they are in violation of both the PRC and CC&Rs. Thomas was praised for his diligence and hard work going out to properties and helping homeowners get compliant and answer any questions they may have.

Jimmy Cooke reported he has been working with Thomas and he is pleased with the work that has been accomplished. Cal Fire has been busy this year, and Jimmy reported he wasn't sure what kind of support we would be getting from Cal Fire regarding the properties labeled "worst of the worst".

H. Ad Hoc Committee- a) Restaurant Committee- In June, resident McAtee asked a committee be put together to look at the restaurant and find ways to increase profitability the Board at the September Board meeting. Three major areas were discussed: 1. Should we encourage the use of the restaurant by non BLS members? 2. Should we obtain a beer/wine or beer/wine/liquor license? This would allow us to sell alcoholic beverages to our customers. 3. Other changes that could increase profitability of the restaurant. After much deliberation the following are the recommendations of the Restaurant committee 1) We recommend that the use of the restaurant continue to be for our members and guests, and that we do not encourage public use of the restaurant. 1) b. Changing the tax status of the Association would allow the *venue* to be offered to hold nonmember events, such as weddings and private parties, providing an additional source of revenue. 2) The committee recommends we do not pursue acquiring a beer/wine or liquor license at this time (the no corkage amenity). 3) The committee's role is to offer ideas and suggestions to our restaurant management. The decision about which suggestions to implement as far as increasing revenue goes is left to our Board and BLS management. Full report was included in the Board Book

Vice President Vasquez motioned to pass on question of the Associations tax status to the finance committee to consult with the Associations CPA. Secretary Clemens seconded the motion. The motion passed unanimously.

10. Old Business: Update on sale of excess lots: Baywood View is in escrow. There was a question on some of the lot clearing work that was done, but the property passed inspection and the association will not be doing any further work on the property.

Lodge Generator: Addressed in GM report

Senate Bill 1265: On the Governor's desk for approval

Garbage Spills & Fining policy: Discussed earlier in the meeting. Management will contact the Attorney and draft a bylaw change for review at next meeting

2018 Member Survey- Sent via email, as well as linked to the website on September 4th 2018. To date there are about 300 responses, and results were included in the Board Book. Overall responses were positive, with a variety of members liking a variety of amenities. The link to the survey will expire after 2 weeks.

11. New Business: none

12. Correspondence: Correspondence was received regarding loud leaf blowing during the morning hours. The Association has purchased a battery powered leaf blower to reduce noise, and will be used on the weekends. Staff does not begin blowing until 8am already, but will continue to take into consideration neighboring properties.

13. Closed Session: 11:00am Delinquent Accounts were discussed, Contract with BLSMWC was discussed

14. Open Session: 12:00 pm

Secretary Clemens motioned to deny request to waive late fee and interest on property in unit 9. Director Pollak seconded the motion. The motion passed unanimously.

Secretary Clemens motioned to file a lien on APN# 026-031-088 and APN # 026-046-024. Treasurer Utter seconded the motion. The motion passed unanimously.

Vice President Vasquez motioned to revoke facility and restaurant usage rights of the following properties for non-payment. APN # 026-030-016, APN # 026-002-015, APN # 026-008-021, APN # 026-040-020, APN # 026-051-016, and APN # 026-031-015. Secretary Clemens seconded the motion. The motion passed unanimously.

Vice President Vasquez motioned to allow General Manager Abila to send a letter to the BLSMWC Board regarding the usage of Fly-In parking lot. Secretary Clemens seconded the motion. The motion passed unanimously.

15. Adjournment: 12:05 pm

Respectfully submitted: Amber Meyer