

**Masthope Mountain Community
Board of Directors Meeting
July 22, 2017**

Transcriber: Kelli Myers
Property Owners Lounge

8:32 AM Meeting called to order and Pledge of Allegiance said.

Roll Call: Present –Bruno deVinck, Dan Clark, Ed McClary, Foster McCoy, Michele Torre, Eugene Principe, Peter Torchio, Jim Fox, James Graziano, Gerhard Buhler and Richard Neidkowski.

Foster asked for approval of the agenda. Michele added the approval of the Board meeting calendar. Randy added the items that the Board members have been discussing via email. The agenda was approved unanimously.

Foster asked for the Approval of the Minutes from the June 16, 2017 Board of Directors Meeting.

The Minutes were approved unanimously.

Foster asked for Approval of the Minutes from the July 8th Reorganization Meeting.

The Minutes were approved unanimously.

Treasurer's Report- for period ending June 30, 2017. Gerhard Buhler-see attached.

Treasurer's Report was approved unanimously.

Correspondence Report- Dan Clark-Received correspondence from Mr. Sommers that will be discussed in Executive. Randy stated that he thought it should be addressed in Open Session. Correspondence from Mr. Colletti will be addressed in Executive Session. Michele added correspondence from Dan Wyatt which will be discussed during Beautification Committee report. Gerhard added the letter from Jeff Silverstein that addressed Briar's Pond which will be discussed in Open Session.

Foster called for Committee Reports

- a. Ski & ATV-Sheldon Langer-He is still thinking of snow. Jim Porter was very helpful creating the ATV training course. The ATV training area is complete. They created a picnic area for parents full of shade. The first class was July 9th. The second class will be August 13th. Randy thanks Sheldon for all his time and effort with the training course.
- b. Audit-Dan Clark informed the Board that the Committee met with Bill Owens. He gave them direction as to what they should be doing as a committee.
- c. Strategic Plan-No report and there will be no meeting in July or August.

- d. ECC-Ron Tussel-see attached. There are a lot clean-up jobs occurring in the community.
- e. Westcolang Lake Association- Dan Clark-There will be a meeting on Sunday, July 23rd at the Fawn Lake Club House. He received the second set of water quality tests. They will be reviewed at the meeting and then will make the results available to the public.
- f. Documents-Dan Clark explains that Gerhard is guiding the Committee with some of the documents that they are editing. The revisions will be brought to the Board at the September meeting for their review.
- g. Fire Prevention-Jim Fox-There has been a decent amount of rain. Everything is lush. Everyone has been compliant with their recreation fires.
- h. Beautification-Leatrice Langer-The Committee is making baby steps-the signs are being replaced and directional signs are being put in place. The Committee would like to clean-up in front of the Fitness Center. They wanted to know if there was an outside water source at the Fitness Center. Randy added that water has been installed at 3 of the 4 corners. We received 2 bids for the landscaping of the corners. It is difficult to find one that does hard and soft landscaping. It is moving ahead however it is a very busy time of year for landscapers. Randy has several calls out to other landscaping companies in the area.

President's Report-Dan Clark-Quiet on the Mountain but a lot of work is being done. The GMM had taken place. There was a positive response to the vote. He recognizes Rich Neidkowski to the Board.

Gerhard mentions that the new rescue boat has been used. Ron stated that it has been used several times and it is excellent.

Manager's Report-Randy Schmalzle-see attached.

Michele compliments Bill in maintenance. She said he does a great job and the beach has never looked cleaner.

Old Business

Michele-Previous correspondence from last month regarding customer service was sent to a board member. A response was sent from the secretary of board. In the letter, she encouraged the property owner to attend board meetings, as she is interested in getting more involved in the community. The property owner was grateful for the response.

1. Appeals Sop moved to September.
2. There is a meeting with Gerhard to go over the Master Reserve Plan today.
3. There is a ribbon cutting after the board meeting for the grand opening of the miniature golf course.
4. A date for the fireworks should be set. The Saturday after the 4th of July would be the desirable date for next year. Randy added that the show was great this year.

New Business:

1. Private walkway to lake from lakeview properties-Randy stated that we need some formality to these agreements. He will reach out to Alan Young for documentation to have these agreements formalized in writing.
2. There is a gentleman that owns property next to River Park. He has become increasingly more aggressive with our Masthope owners when they are at River Park. Public Safety is aware of this issue. Randy suggested that property owners contact State Police if the neighbor becomes aggressive. We need to document all interactions with this neighbor.
3. The Board meeting calendar for 2017-2018 was discussed and approved.
4. The truck purchase proposal-Randy-would remove all sellable parts from the old truck and the other 2 trucks have bodies that are beaten up by salt. He recommends retire one truck, work on the body of one and sell the third. He found 2 trucks to purchase. They are just below CDL level. If they were to purchase new they would be \$85,000 each. They are 2001 with low mileage. He would go to inspect them before purchase. Discussion ensued.
5. Heritage Road-Randy explains that Aqua did a water main replacement. He discussed the road repair with Aqua. Aqua's cost for repair would be \$47,000 to repave it would be \$102,000 the difference is \$55,000. Randy recommends joining Aqua to fix the road the correct way. That would ultimately save Masthope money. There is money in the Capital Roads line item.
6. Flag poles-Dan thanks Randy for researching the cost of flag poles. The flag poles are not at the correct heights. The US flag should always be the first and tallest. 2 new flag poles would be installed that are 5 feet taller than the ones in place. Michele and James suggested getting a Masthope and Ski Big Bear flag. It would cost approximately \$1500 for the 2 flag poles and installation.
7. Sommers letter-see attached-in summation he is addressing the rule of only having one picture pass however owns multiple properties. He would like to be able to have one active pass when he is staying at one of his properties and renting the other. The Board is in support of providing a system that allows property owners with more than one property to still have access to the amenities if they are renting only one of their properties. It seems that it is a managerial issue that makes it challenging. Randy indicated that he will do some investigative work to see how we could address this problem. In the meantime, the Board has worked to find a solution with this particular property owner until there can be a revision in the current system. The second issue addressed in the letter was who can have a picture pass and who cannot. He would like to see this policy changed. He would like siblings to be included. As the rules stand now, picture passes are only given to family members that is in direct lineage to the deeded property owner. Dan explains that this has been an ongoing thorn in the side. This would have to be brought into alignment with the ski agreement. The policy will be reviewed by the Board in the near future.

10:02am Property Owners Time

Leatrice Langer 458MR-She acknowledges the hard work that Skip and John Grandy have done. They pruned the bushes in the median along Karl Hope Blvd and continue to maintain Memorial Park.

Jerry Lennon 132MR- Can the Board give Randy authority to purchase any truck without such financial restrictions? It was explained that the Board can pass an electronic motion quickly if more funds are needed.

Jeff Silverstein 28FW-Will the Board treat pond? The lily pads can still be done. Dan explains that the undergrowth gets done in May. Randy added that there is not a significant amount of undergrowth at the pond. They will get cost of treating the lily pads. If cost is reasonable, then the lily pads will get treated this year.

Jerry Ferriauolo 861RF-He adds that you will see the effects of the treatment in the following year.

Karen Smrek 289MR-Will the volleyball court at the top of the mountain be put back? Randy acknowledged that it would be done within the week.

John Grandy 6CM-He feels that the property owner should only have on picture pass and not multiple.

Mike Seyfried 157MR-A couple of public safety issues: much more speeding on the roadways and littering. Can we put something in the Weekly Messages about littering? He offered his property to public safety to sit in driveway to watch for speeders.

Rose Perrotti 164RF-Multiple passes will be a problem for the community. If one family has 12 passes on one property then you will have to issue them 12 on their other property. Ed adds that there may be a handful of owners that own multiple houses. Rose responded that may be true now but that could change in the future. Ed further explains that there is also a difference if the property is owned by a corporation or LLC. This type of ownership is entitled to only 4 picture passes with 4 guest passes.

Dan Wyatt 250MR-He has the design for the signs to give to the Board.

Matt Spalding 585FW-At the shuffleboard court, there is overgrowth. Can it be cleaned up? Maintenance is working on it.

Jerry Ferriauolo 861RF-Something needs to be figured out with the passes for multiple owned properties. Gerhard would like to analyze our system and see what the capability is with our pass system.

Jeff Silverstein 28FW-He witnessed fishing at the pond and the fish were not released back into the pond. Ed explained that there is not a catch and release policy in place for the pond.

Bill Chillianis 204MR-There are bushes over grown around the pool area. Can some rocks be removed from where the personal watercraft pull up at the dock? He feels that the deficit month to month does not make sense in the Summit and Market financials. He would like that to be analyzed. Foster explains that it does catch up. They are seasonal businesses even though they are open year-round. Foster and Michele invite Bill to join the Budget Committee. Randy will look at the rocks in the lake. Dan Wyatt explained that 10 years ago the lake was drained down and 2 dump truckloads of rocks were removed.

John Grandy 6CM-Asks how often is the lake tested? Weekly. He asked about the Otteson property. Would Masthope be able to lease this property? Randy answered that the 3 years he had contact with Ms. Ottesson she was not interested. Now the only contact is with her attorney and he does not respond. Could the Board look into giving the seniors in the

community a discount? There are construction vehicles not abiding with the rules on our roadways. There was talk about replacing the bar stools. He would like to see swivel stools inside the Summit.

Chuck Sommers 835FW-Thanks the Board for listening and Kelli for directing him to attend the meeting and address the Board.

Mike Seyfried 157MR-There is a lot of truck traffic-delivery trucks and tractor trailers driving on some of Masthope's narrow roads. There are lots that are a mess, fallen trees, etc. We should start enforcing cleaning up the lots.

Bill Chillianis 204MR-When will the ATV Committee meet again? Ed explains it is not an active committee. The rules are in place and the ATV training course is complete. Any questions or concerns should be brought to the Board.

Jeff Silverstein 28FW-Can they just extend the old flag poles? Wouldn't that be more cost effective? It would actually cost more than purchasing a new one.

MOTION 01:07:22:17

Whereas the Masthope Mountain Community needs to replace two of our trucks due to old age and excessive repairs needed.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the purchase of two 2001 Chevrolet 6500C trucks pending availability and inspection. Not to exceed the amount of \$50,000 from the maintenance vehicle replacement capital line.

**FIRST: FOSTER MCCOY
SECOND: ED MCCLARY
MOTION PASSES: FOR 10, AGAINST 0**

MOTION 02:07:22:17

Whereas due to repairs to the roads on Heritage Road and the restoration project with Aqua

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves a joint paving restoration project with Aqua to finalize the full pavement of Heritage Road. The project should not exceed \$56,000 from the Capital Roads Line.

**FIRST: ED MCCLARY
SECOND: JIM FOX
MOTION PASSES: FOR 10, AGAINST 0**

MOTION 03:07:22:17

Whereas since the vote at the July 2017 GMM approved the use of Beach Loan Money being used to pave the lot at the beach.

Therefore be it resolved that the Masthope Mountain Community Board of Directors approves the transfer maximum of \$24,000 from the Beach Loan Account back to the Capital Roads line item, to replace the money used from the Roads line for the beach lot paving.

FIRST: DAN CLARK

SECOND: PETER TORCHIO

MOTION PASSES: FOR 10, AGAINST 0

MOTION 04:07:22:17

Whereas the Masthope Mountain Community Board of Directors recognizes the American Flag should be flown higher than the current flag pole permits. Therefore be it resolved that the Masthope Mountain Community Board of Directors authorizes the expenditure of up to \$1500 for the purchase and installation of two flag poles at the four corners from Maintenance landscape line item.

FIRST: MICHELE TORRE

SECOND: EUGENE PRINCIPE

MOTION PASSES: FOR 10, AGAINST 0

Meeting Adjourned 10:45am.

Executive Session began 10:52am.

Executive Session ended 11:05am.

Meeting Adjourned 11:06.

Treasurer's Report for Period Ending June 30, 2017

Unaudited

Collections - YTD

	Jun 16	May 17	Jun 17
Total	2056	2049	2049
Billable	1757	1750	1750
Paid in Full	1359	1307	1365
Percent	77.3%	74.7%	78.0%
Outstanding	398	443	385
Total Bad Debt Lots	53		53

Unrestricted Income and Expense - YTD

	Jun 16 YTD	May 17 YTD	Jun 17 YTD
Revenues to date	\$2,057,720	\$1,957,004	\$2,106,117
Expenses to date	\$627,940	\$202,465	\$693,595
Net Surplus (deficit)	\$1,429,780	\$1,754,539	\$1,412,522
Margin (Net/Revenue)	69.5%	89.7%	67.1%

The Summit - YTD

Revenues to date	\$145,863	\$63,889	\$150,672
Expenses to date	\$213,267	\$81,898	\$226,977
Net Surplus (deficit)	(\$67,404)	(\$18,009)	(\$76,305)

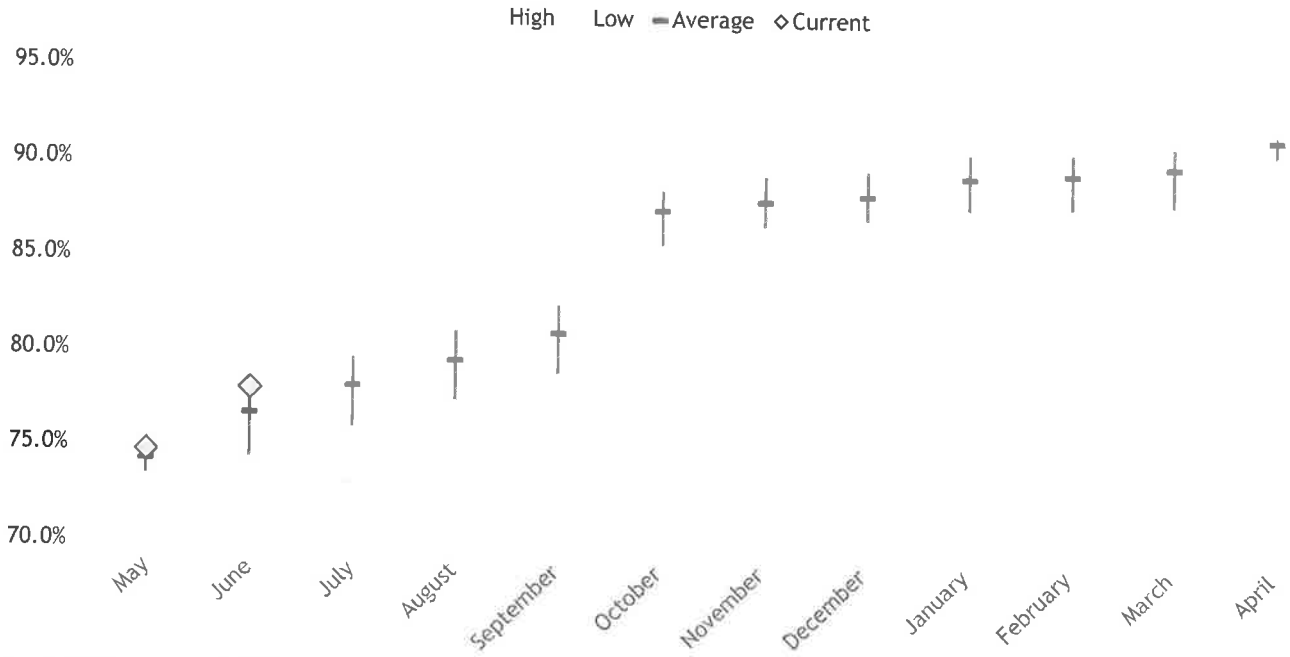
The Market Plance - YTD

Revenues to date	\$62,951	\$32,711	\$69,405
Expenses to date	\$76,893	\$31,785	\$87,907
Net Surplus (deficit)	(\$13,942)	\$926	(\$18,502)

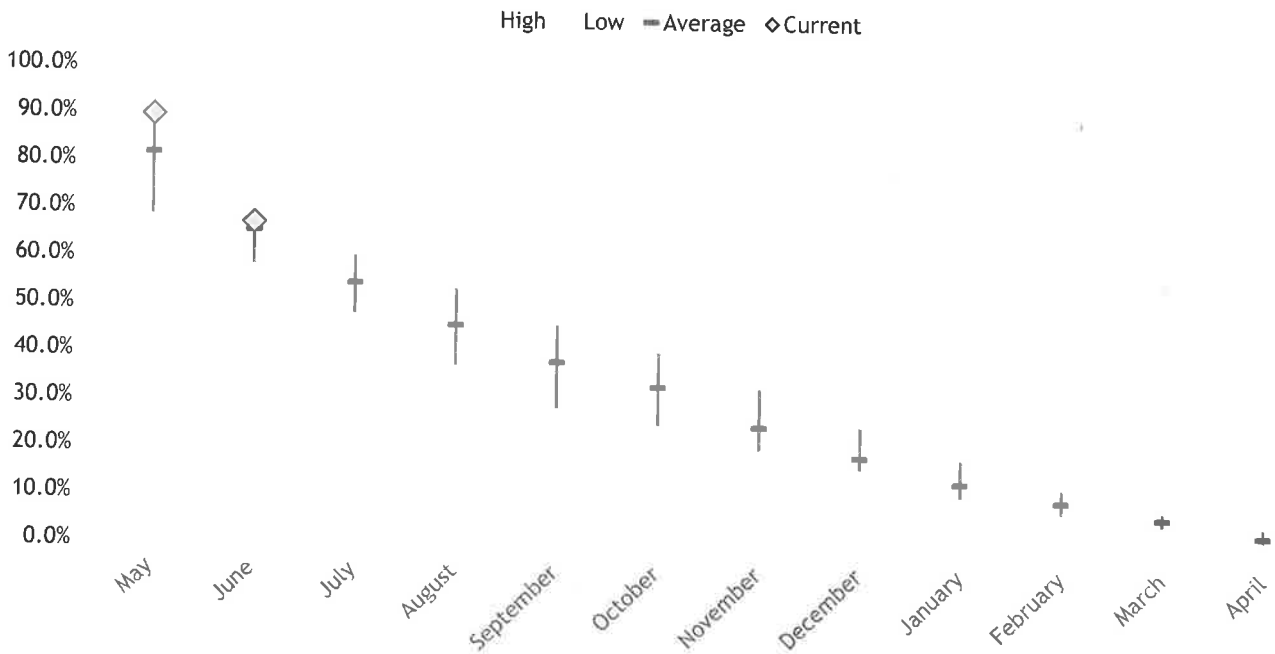
Summit/Market Net Surplus (Deficit)

	(\$81,346)	(\$17,083)	(\$94,807)
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COLLECTION CHART - YTD



OPERATIONS CHART - YTD OPERATING MARGIN



Managers' Report

July 21, 2017

Projects:

Projects:

1. Top of Mtn – Work continues
2. ATV training center – Sheldon is putting on finishing touches.
3. Front Entrance – Water is in place minus one corner. One bid has been received for landscape, waiting for additional bids.
4. Snow making pond – I have met with representatives of Aqua-link to review the conditions at the pond. They believe the pond is healthy and in a natural state, there is no obvious sign of milfoil. There are areas of lily pads which are normal in any body of water.

Aqua-link is going to prepare a proposal for the spraying of the lily pads and possibly a treatment for underwater growth.

Public Safety

1. Sumer traffic has been normal.
2. ATV rules being closely enforced. In particular issues are underage drivers alone, driving after dark.

Maintenance

1. Road Work – Line work to start this coming week.
2. Roadside mowing continues.
3. Water main on heritage – Installation has been completed.
4. Pool is in order, seeking bids for bottom resurface and tile replacement. Ordering new cover.
5. Truck reviews underway, recommendations have been made to Board in attached email.
6. Maintenance Manager starts on Monday

7. Flag Poles – To replace the two American flag poles at the front entrance with proper height poles would cost \$1500 installed.
8. Weed cutting to be done at dam on snow making pond.
9. Continue to remove trees identified by Beautification committee.

Summit

1. Season is going well.

Administration

1. Seasonal staff – We continue to work to keep all areas staffed as needed, it will be more difficult as we reach the end of August as this is when the students will return to college or begin high school activities. Thank you to Mary for here help in scheduling staff.
2. Lake testing – As required by law the water at our beach is tested each week, results of those tests are sent to PA Dept. of Health. This past week we were contacted to close the beach due to a high E.coli count, the beach was immediately closed and signs posted in all areas. Our testing company was called and did dispatch a agent to take another sample, the results should be known Friday evening.

The cause of the closure was probably due to a heavy rain storm which washes debris in to the lake. Other areas of the lake have the same problem, primarily caused by geese and large grass areas near the shore. In my years here I do not recall having a closure so I do not believe it requires an action on our part other than retesting.

From: Randy Schmalzle <mountainbaggage@aol.com>

To: petertorchio <petertorchio@Yahoo.com>; rschmalzle <rschmalzle@me.com>; emccclary <emccclary@hcrosscompany.com>; fjmccoy <fjmccoy@aol.com>; pt52masthope <pt52masthope@yahoo.com>; d.m.clark <d.m.clark@att.net>; emtorre30 <emtorre30@gmail.com>; brudoldev <brudoldev@gmail.com>; cardeb <cardeb@live.com>; graziano12 <graziano12@hotmail.com>; jimnshar <jimnshar@ptd.net>; gerhardbuhler <gerhardbuhler@gmail.com>; richieslandscaping <richieslandscaping@yahoo.com>

Subject: Trucks

Date: Mon, Jul 17, 2017 10:43 am

All,

I know it is July, but I am looking at our plow equipment for next season. Now is the time to find good used equipment and I have.

Equipment Review

99 International - This truck has been a problem for the past several years primarily due to rust issues. I do not believe it is worth the expense to make it a viable reliable truck, it would require frame repair, all new brake system and other rust repair. This truck should be retired, we would strip off anything we can use and the rest be sold either for scrap or for a parts truck.

Yellow and Black International - It needs a new dump body and some minor frame repair. It runs well and is a favorite of the plow crew so it is worth keeping in service.

White GMC - Needs dump bed replacement and rust repair to the cab.

Other trucks will need minor normal repairs.

In looking for trucks I came across a pair of trucks from the MD parks department. Both trucks are 01 Chevrolet 6500C and come complete with plows, cinder spreaders, have had undercarriage and dump bodies cleaned and painted and have less than 20,000 miles. They are non-CDL trucks meaning no special license or training required to operate. Price is \$22,500 each.

These trucks new would have been in the \$65,000 range and today's new price would be over \$75,000. I have not been able to see the trucks other than pictures, if they are as described by the dealer they are well worth the asking price and should have at least a 10 year useful life for Masthope, of course this has to be verified by personal inspection.

Recommendation

Retire the 99 International, Sell the White GMC and repair the Yellow and Black International if a used body can be found or wait until next year.

Purchase the two Chevrolet 6500C

Funding

Currently there is nearly \$40,000 in the capital maintenance vehicle replacement line.

The sale of the GMC will more than cover the difference.

This is a example of the Capital Reserve analysis in action, there is a vehicle scheduled to be replaced this year and another next year, if this purchase is made there will be no need to replace a plow truck next year.

Please give me your feedback.

Thanks