

GLENLAKE PROPERTY OWNERS' ASSOCIATION, INC.
Annual Meeting
September 14, 2017

The Glenlake Property Owner's Association, Inc., Annual Meeting convened at 6:00 p.m., on September 14, 2016. Present were directors Norm Klausutis, Brian Haugen, Mike Duckworth, Paul Martin and Rob Bradley. Homeowners in attendance were Wendy Bradley, Cherie Johnson, Bob Garcia, Gerri McGovern, Linda Testa, Chuck and Carol Kennedy, Donna Barton, Jan Edeburn, Julie Martin, Kathy Haugen, Katherine Hoglan, Tom and Lynne Whittemore, Betsy and Larry Blameuser, Dan and Jerrilyn Cobbs, Marfie Cromwell, Karen Stein, Kirk and Amy Everhard, Ryan and Shermaine Sleeter. There were also five (5) homeowners represented via proxy.

Representing Bluewater Association Management was Laura Landsberger.

Having established a quorum, Mr. Bradley called the meeting to order at 6:00 p.m.

The August 25, 2016 Annual Meeting Minutes were approved with a motion from Mr. Paul Martin and seconded by Mr. Haugen. Mr. Chuck Kennedy objected, wanting the minutes to be changed under the President's Report, first paragraph, last sentence, to read "therefore the board voted for a new assessment of \$220.00, \$20.00 increase per quarter, (Reference the board minutes meeting this occurred on such and such date)." After discussion with the Board, the increase was approved at the August 25, 2016 Annual Meeting and was included in the budget. Additionally, Mr. Kennedy wanted the minutes under "Roads" bullet seven to read "Dogwood Landscaping was terminated". Mr. Haugen stated that the minutes cannot be changed from what was actually said during the meeting. Mrs. Whittemore requested the minutes on page three under Board Nominations from the Floor be changed from "The 2017-2018 Board of Directors was ratified and is as follows" to: The 2016-2017 Board of Directors was ratified and is as follows. In addition, she stated that the order of the officers is wrong and Mr. Bradley reported that the Annual Meeting package was sent out without review and there were mistakes.

After discussion, Mr. Martin made a motion to amend the minutes to read in the course of discussion, the actual approval of the increase was done as a vote on the budget itself. And let the record reflect the additional recommendations that have been made. Motion was seconded by Mr. Haugen. And the minutes from August 25, 2016 were approved unanimously.

Reports:

Finance – Mr. Haugen reported the following:

The following items were adjusted for the 2017-2018 budget.

Multiple items were being covered under grounds maintenance that were actually common area maintenance issues. One of the suggestions with this current budget was to take from the 2016-2017 under 4431 where 6520 was the actual under grounds other go up to 4447 common area refurbishments, that is being moved to an area more logical. Trying to keep the grounds to be in line with what is more contractual grounds. In addition, under 3311 at the very top, they input a line for 1100.00, with about 80,000 in road reserves, felt that sitting there with cash, road reserves into a CD, which would provide additional income and allow access in the case of emergency road repair.

Previous budget had 8000 toward road reserves, which was modified to 6000 a year and with the 2000 being allocated to common area maintenance. With significant common area issues to address, the adjustment would allow additional funds to be allocated to those areas.

It was identified that all members with the exception of one household were up to date on dues. This singular household was significantly behind, and there was currently a lien on the property.

Status of accounts was reported as: total equity 93697, capital improvements area fund stores 72000. The increase in assessment has met its goal, but due to the common area issues the dues would remain the same.

Two technical changes were discussed; the need to add an allowance for uncollected assessments and a line item for interest on reserves.

Mr. Kennedy brought up the numbers in the budget don't match the database/accounting numbers. And the budget was not correct when comparing it to the balance sheet, the topic was discussed and deemed to be due to the accounts receivable and unpaid dues.

Mr. Haugen made a motion to approve the budget as is pending the line item adjustments to accounts receivable and to income and common area as stated in the minutes, including the adjustment to the road reserves. Motion was seconded by Mr. Paul Martin and motion carried by majority.

Roads – Mr. Duckworth reported the following:

In 2015 a Mr. Russel W. Berry who is a licensed professional engineer that worked for the county who is retired now, performed a road assessment. The following are excerpts from his letter: On a scale of 1-10 the roads are a solid 9. With regular correct sealant, the road has an expected life span of 20-25 years and he recommends road sealant every 4-6 years. Cost of sealant July 2015 was \$9800.00. The roads including the circle at the end is a total of 6500 sq yards surface area. To build the surface down at a cost of approx. 4-5 per a sq yard. New pavement down is 5 per sq yard, total cost 58,500-65,000 in 2015 dollars, with a 3 % increase per a year for inflation. For budgeting purpose, the 2015 numbers are not going to be enough due to inflation rate. As a comparison, the last time the road was sealed it cost \$13000.00. Mr. Duckworth has Mr. Berry's contact information should anyone want to contact him to discuss.

Grounds and Lake – Mr. Duckworth reported the following:

This time last year, at the front during heavy rain, the lights would go out. Grounds and Lake predecessor worked with it several times, but the system kept blowing transformers. Mr. Duckworth hired an electrician. The work took two days, and identified several issues, including the following: improper wiring, wrong cable, nicked cable due to not being buried deep enough, etc. Since then, system is working properly and have only had to replace a couple of lights.

During a wind storm, a Bradford Pear was split. Mr. Duckworth attempted to get the landscaper to take care of it, but the landscaper could only cut the downed part, due to insurance reasons. Mr. Duckworth had a tree removal company come out and cut down 4 trees, the Bradford and 3 additional trees that were dead.

It was recommended to put up a purple martin box which was accomplished by self-help, at a cost of 150.00. Purple Martins are currently not nesting; it needs to be cleaned out and remove the sparrow nests.

Issues with the irrigation system; system was overwatering the front area. It was difficult to trace the flow to determine the issue. Water comes from the lake through a couple of pumps and goes to the pump house. A map was developed to have a method to reference the flow of the system, and zones. Attempted to reduce the amount of water flow to the front, but it cannot be shut off due to sharing a

zone with the road area. In an attempt to reduce the amount of water, the landscaper installed smaller heads on the 12 sprinklers in the area.

The park area was dark, with the uneven concrete in the area. Installed LED solar lights in the area and sprayed the discontinuities with fluorescence paint, in an attempt to make the area safer to traverse.

Due to bouts of vandalism, the concrete benches were reset several times, and had missing water valve covers. Called OCWS, took 4 phone calls and no help. We looked for them ourselves, found the valves in the lake, and repaired them ourselves.

Laurel Wilt Issue; the MSBU got involved due to multiple dead trees and eventually contacted a county horticulture expert that identified the issue was from beetles. Treatment of the beetles is very expensive and Mr. Bradley attempted to get others in the area to assist. Eventually, the MSBU was involved and cut down multiple trees, but none that belonged to Glenlake POA. The MSBU sent Glenlake a bill. As Glenlake did not contract them for the work, Mr. Bradley contacted the MSBU to dispute the bill stating they were not contracted to do the work and has not receive any correspondence back. MSBU seems to have lost interest in the dying trees. Mr. Bradley performed a survey and marked every dead tree with a map, approx. 30 at the time, and did not want to spend a lot of money on containing the trees; most trees are not easily accessible. MSBU contracted DMV to cut, mulch and ferment the trees, DMV quoted a good price and took care of 12-15 trees. When they came out there were more trees dead, this is still an ongoing issue. Some of the trees were not taken away, these remaining trees are small and can be dealt with by the POA and burn them. Over all, homeowners have been good about taking them down, it was noted that there is one renter; however, that is not taking theirs down, need to contact the owner and notify them of the issue.

Received several calls that the common areas and lake area was not looking as good as it should. Mr. Duckworth sent a notice to the grounds keeping company due to poor work and it appears as though they have gotten better. Many common areas have very little grass left and mostly weeds, St. Augustine and Centipede grass have a life expectancy, grounds keeping company does not want to put down emergent because it would leave mostly dirt.

Shifting concrete needs to be replaced in the common area. Received 3 bids on the concrete, and one bid included the circle area that needs to be replaced. Bids ranged around 3800 with circle vs 1267 without, a big difference due to the amount of concrete around the circle area. Currently the concrete is 2500 psi and the bids included 3000 psi concrete. Cracks have gotten worse and it was noted that we have the infrastructure reserves to replace the sidewalk.

Future Items:

Never replaced the Bradford Pear, and discussed placing dogwoods in the area. Magnolias in front entrance area are not doing well, which were replacements of previous magnolias. They are not getting worse, but not any better, and not thriving as they should. Landscaper does not know why they are not thriving as they should.

The pump station needs a new roof, which is not a difficult issue to fix.

Discussed the possibility of seeding winter rye, serves as a diagnostic tool to identify where areas are water starved, and is inexpensive.

Phased sod replacement; received a quote for \$22,000.00 for the park and area by the road. The possibility of over seeding during the spring would be much less expensive, around \$2000.00. It would need to be discussed what type of seed would be used.

Replacing the landscape contractor, the contract as written is misleading, the contract is clear that Mediterranean Fan Palms are to be trimmed 3 times a year, but there are none in the area. Previous Grounds administrator had issues with the current contractor as well, and had to accomplish non-performance reports. Need a new contract drafted or reassess the current contract.

Lake is in great shape.

Communications – Mr. Martin reported the following:

We have not done a good job of documentation. One of those issues is board certifications. Every member of the board has stated they have completed the certification or attended the certification. In the past 14 months, the documentation has been lost. Every member that has been on the board will sign the certification documentation tonight. In addition, every member that is elected tonight will sign the certification form stating they have read the by-laws and covenants and intend to abide by them. These documents will be retained for the next 5 years.

Minutes, intent is to post them on our website so they are available to the public. We should have the last seven years, and we currently only have 3 years' worth. The by-laws and declarations are available as well and members are referencing those documents.

In new business there will be one recommendation, IAW statute the association has the ability to limit members to 1 half hour period per a month to driving our cam folks looking into and collecting documentation. We also have the ability to charge that individual \$20.00 per hour for time. For the cost we are driving the management of the association. Otherwise we are going to run into a situation as the cam manages the association will drive up costs. This was not for discussion at this time.

Architectural Review :

Had a couple of approvals this year and had several projects that should have been reviewed for approval prior to construction. The work had started before anyone knew. Please follow the procedures it on the web site. Submit the form IAW our covenants so we can have a quorum with the board and not delay the project and cause additional cost. State statutes state we have to leave it out for comment so if it's going to be a significant change. Repainting a door the same color is not a significant change, nor is repairing storm damage. In the past we have allowed neighbors to comment directly to the requester and captured those changes at the board in the minutes. The statutes are available and members need to follow the procedures. If there is a significant change to the home, there needs to be additional time

Comments regarding reports:

Comment regarding sprinklers: Is there anyone that checks the sprinklers periodically,
Answer: The landscape contract requires them to inspect the system. We have repaired approx. 6 heads recently. Additionally, I received an email from a member that they had a light out. Contract with Chelco to replace lights, no approval is necessary, just contact Chelco directly and they will replace street lights.

Communications: Sherry had done a great job and is now recognized on the web page.

Concern regarding the financials. Appeared to be a lot of funds spent recently. There was a lack of recording in the official minutes of any votes by the board and there were no bids for some of the large contracts. For instance, there were no bids for the landscaping contract. By law it is required. No bids on the island, rock wall project, and if the project affects the entire neighborhood, a RFP

should be accomplished. It would be more frugal to actual collect bids and report that during the board and capture it in the minutes on how it was voted on and approved.

Discussion: Normally board members do not get these types of email to a personal account. There is nothing in the covenants on the process except the architectural review that defines how to submit items to submit to the board for review. In terms of keeping things within sunshine law kind of climate, set forward for inclusion in the agendas for upcoming board meetings. So members can come and comment on these items. This would prevent email traffic and open the review to members. The keeping of the documentation is a failure of the past. Much of this will have to be codified.

Board has done an excellent job, need to have confidence in the board. If you don't like what they are doing, attend the meetings and make comments at that time.

Discussion on documentation and the fact that it should be retained for 7 years. Multiple boxes of records, could appoint a committee to execute a project and review the records within the boxes.

Old Business:

Last year there was a question from the floor regarding the level of assessments and made comment, we would research this and relative level of assessments compared to other neighborhoods in the area. We could not come up with an apples to apples to compare. Neighborhoods were too different to actually make a proper assessment.

A document was presented by Mr. Kennedy that compared amenities between neighborhoods such as roads. And compared how much members were paying for each amenity; the document was normalized so you could see what they were paying if they were paying for the same amenities. 5 neighborhoods, highest was paying 152.00 normalized.

If you don't look at the acreage and pumps, walls, etc. But it is still not an apples to apples comparison. Part of ours are going into a reserve and that was determined to keep a reserve vice having something come up and have to charge the cost to each homeowner.

The board has attempted to maintain the safety of the neighborhood and maintain the property values. Our values have been maintained and our assessments are not unreal.

New Business:

First order of business will be to offer thanks to outgoing board members.

Mr. Rob Bradley made a nomination for Mr. Tom Wittemore to join as a member of the board; due to no other nominations, there will be one vacancy on the board going forward. A vote was taken and approved by majority. It was noted that per thy by laws if there is only one candidate, a vote is not required.

Mr. Bradley asked if there were any volunteers to host the annual Christmas party volunteer, Mr. Bob Garcia volunteered as host.

Mr. Martin made a motion to adopt state language regarding collecting fees for document searches by the CAM. The motion was seconded by Mr. Brian Haugen and passed by majority.

A motion was made for adjournment at 7:55 and was seconded by Mr. Haugen.