

HLA Board Meeting September 25, 2017
Minutes
Call to Order: 7:00 pm

Roll Call

<u>Present</u>			<u>Absent</u>
President Coan	Director Cassatt	Director Pirtle	Secretary Nafziger
Vice Pres. Weir (Arrived 7:08pm)	Treasurer Waldorf		Director Welsh

Approval of Previous Minutes

Motion By: Director Pirtle Seconded By: Treasurer Waldorf Vote tally: 4-0

Approval of Expenditures

Motion By: Treasurer Waldorf Seconded By: Director Pirtle Vote tally: 4-0

Treasurer's Report

All data presented is as of August 31, 2017.

The Total Cash Balance is \$901,152.92 and is made up of the following fund balances:

General Fund \$172,437.23
Lake Fund \$71,028.25
Road Fund \$368,229.85
Emergency Fund CD .. \$87,922.05
Lake Fund CD \$101,262.01
General Fund CD \$100,273.53

The outstanding receivables total is \$271,153.00, a decrease of \$16,096.47. For additional breakdown, please refer to the attached Balance Sheet.

The Year-to-Date Net Income is \$326,235.80 with Revenues of \$592,809.11 and Expenses of \$266,573.31. Please see the attach Profit and Loss Statement for further detail.

As for actual Cash details, for the month of August the cash deposits were \$23,876.18 and the cash expenditures were \$35,458.18. Additional report details are posted on the Heritage Lake website.

There were no unusual expenses in August.

This concludes the treasurer's report for August 28, 2017.

There is approximately \$12,000 that needs to go into the emergency fund that went into a CD rather than the money market. We can't add to it, so we have it earmarked and it comes due either the end of November or December 1st. before the end of the Director Cassatt year, we will get it entered into there so it is one line item rather than trying to break it up.

Questions: None

President's Report

- Some Issues with tar and chip, contractor didn't think it had enough time to dry before 3" rain
- Cleanup was performed and no other issue reports received. The results of the cleaning were very good.

Committee Reports

Member Chaired

- **Conservation**
Working on the 2018 budget.

HLA Board Meeting September 25, 2017

Minutes

- Would like the Board to consider relining the drain tube next year.
 - Finance Chair Bonnie Lemke will meet with the attorney this week with regard to the IDNR regulations.
 - No need to clean the sediment basins due to a dry summer.
 - We will mow one more time this year.
 - Working on getting a rough cut mower,
 - Will not open the drain tube on the 15th of October. The lake level is down almost 1 ½'. Normally, by 1st of November the valves are opened.
 - Fish stocking date late October early November. Committee member Dave Riggert and Co-chair Bill Schaumburg put together averages of stocking fish over the last 10 years for a general guideline.
 - State is no longer makes recommendations on how to stock and we would get recommendation the following year.
 - Continue to contract with a fish stocking company out of Murphysboro, IL.
 - Committee member Rodney Stickrod, recommended to include red-eared bluegills to control the sand fleas at beach.
 - Will provide what was recommended for 10 year averages. Co-chair Schaumburg has been doing it and will handle as he has done for years.
 - Member Bob Porter has done some dredging on the lake near his home in the past, wants to take more material out of the lake.
 - Co-chair Lemke: The best way is to look at the silt basin, and a dredging project is to benefit the whole lake. There are very significant projects that are more important than dredging 1/20th of the lake.
 - Co-chair Lemke - not against it, but we have a recommendation from IDNR that a secondary spillway is needed at the cost of \$300K. A dredging project which is minimal would be under \$100K and a significant dredging project would be over \$1M. HLA has \$3-400K worth of projects that need to be done and dredging that 1/20th of the lake needs to be significantly considered. Not opposed to Mr. Porter dredging out the lake, as long as there is a plan.
 - If we get an excavator down on-site and have a homeowner who is paying for a portion of that, would it be beneficial to take some of that silt out?
 - Co-chair Lemke: There are a lot of things to consider before moving forward. We have \$500K worth of projects and we don't have \$500K.
 - Pick what is beneficial overall. Member Porter is asking for permission to dredge.
 - Member Porter hired it done 3 years ago and did a nice job.
 - Co- chair Lemke: I suggest that the Board look at written plan before you go ahead. As long as we are not using Lake funds and before we allow members to make significant adjustments to our space, we need to understand what the plan is.
 - Taking into consideration we are getting ready to have all roads repaired and to have an opportunity to have that heavy material moved out while the roads are in the condition they are in rather than wait 3-4 years, would be beneficial. It is the largest feed, 63% of the water shed comes in at that point.
 - Co-Chair Lemke: It is up to you, as long as the lake funds aren't being spent, whatever you decide is fine, I just need to be aware
 - Need to talk to Finance Chair Lemke about upcoming budget for amenities maybe we can kick in \$10K out of our general fund
 - Suggested that the plan is sent to Conservation Co-Chair Lemke to review so it fits other conservation priorities.
- **Environmental Control**
 - 1-Tree Permit
 - 14 Olivia Dr. Got a call from a couple that are going to build a new house on lot 121 or 122 Roxbury Dr. they are just starting the permit phase on building; questions were asked about HLA requirements. They will submit a \$2000.00 impact fee with the *Permit to Build House* sometime this week. Chair Stokes expresses concern if Glen Franks can finish before the road weight limits start in January since they are starting this late in year. The lot is still in timber state. They have been Informed about the limits, if contractor violated weight limits, they would be fined per incident. They are going to meet with Glen and Director Cassatt to build timeline.

- **Road Committee**

- Phase 1 ditch work: 24 Essex requested driveway culvert, not in the plan, confirmed w/ Engineer that one does not need to be there to preserve the road or to save the road. If the homeowner wants to put one in, then it shall be the homeowner's responsibility. We will go with the engineer's recommendation. A response will be sent to the homeowner.
- The sealcoat work will be completed.
- There are 2 cul-de-sacs that were not completed; Summit and Stratford.
- With regard to Summit; it has been determined that the cul-de-sac is not worth resurfacing and will be added to reconstruction list. Minor ditch work needs to be done
- The Stratford cul-de-sac has good slope, and was redone in 2009-2010. Director Cassatt and I met with Troy from UCM last week and put a plan together for that cul-de-sac. There is no plan to move that cul-de-sac; it is going to stay a resurface. A spray patch will be applied to cover it up for winter and prevent dirt from traveling anywhere else. If the edge is getting worse we will reconstruct, if it stays the same, we will stay a resurface.
- Spray patching: I am meeting w/ the contractor tomorrow, and we have 2 more days approved at approximately \$10K. Three areas in the Stratford cul-de-sac will be re-covered.
- Other areas of focus will be the rest of the resurface roads on the list. They are Berkshire, Fairfax a section of Heritage Drive between Jamaica and Londonderry, Fleetwood, Carlton, Suffolk, and Somerset minus the cul-de-sac on Sommerset because it is a reconstruct.
- Roxbury is a reconstruct on the south side.
- Next year the priority will be resurfacing the roads that are left and secondary roads will be reconstructed first. The primary roads will be finished and after that, Heritage Drive and Westminster which may be done last to allow for construction traffic.
- Bid sent out for Phase II of ditch work on Martinique, Cheshire and Cornwall; those bids were returned last week. Sent out to 5 companies with 3 companies returning bids: Litwiller, Koenig Trucking, PA Atherton – PA Atherton low bid at \$49,580. Litwiller came in \$55,860. Koenig was \$30K higher.
- There are 3 HLA owned culverts on Cornwall that are not in the bid price. They will be bid out as well.
- Will communicate with engineers and move forward. Letters will be sent to the addresses of residents on those roads to advise of work being done and any impact it may have in their area.

Director Pirtle makes a motion to take the low bid of PA Atherton at \$49,580

President Coan seconds the motion.

Vote Tally 5-0

- Phase I ditch work - 2 culverts that should be paid by property owners. Emails will be sent to those particular owners and the Finance Committee will oversee.
- Recommended to leave \$50k in road fund.
- Engineer would like approval for Phase III services which were during construction for the sealcoating, ditch and culvert Phase I and ditch and culvert Phase II which will be in progress soon and the culvert lining, no number yet so no estimate. Three projects come out to \$13,500, \$8,400 and \$7,400, total \$29,300. Engineer has asked for approval.
- Pending approval they will send invoice to us based on the 15% per project.
- The \$29,300 is for Phase III Services, is their work during a project, during the sealcoat project, which is done, during ditch work Phase I, which is done and ditch work Phase II which is planned which was just approved.
- Engineer wanting approval for Phase III engineering expenses. The Phase II is included in the handout. \$7,400 is for the ditch work Phase II.
- Phase III services budget summary for 2017 contracts to-date for board approval. Once approved we will generate the invoice for the services already provided on the first 2 contracts for the \$13,500 and the \$8,400. They are wanting approval for moving forward at that level. Pay for the work that has been done and future work to be done
- Phase III dollars depend upon the cost of the project, Phase III dollars will flex up or down depending on or over budget. All projects have been under budget. I am asking for \$21,900 to pay Austen Engineering for Phase III Engineering work already been completed. Best to tell Devin to get that project done first and we will see where the \$7,400 ends up. \$7,400 will probably go up. It is based that on the \$49,580, some time and materials expense that is not bid out, plus there are some issues at the end of one of the cul-de-sac that we will need to deal with that was not on the engineering plan it will be a change order, so it may go up.

Minutes

- Chair Reed: I would like approval to move on for Phase III Engineering costs for ditch work Phase II.

Director Pirtle makes a motion to move on for Phase III Engineering costs for ditch work Phase II.

Treasurer Waldorf seconds the motion.

Vote Tally 5-0

- Expenses. Reviewed spreadsheet Finance Chair Lemke provided.
 - Put in for:
 - \$56,410 for Phase I ditch work
 - \$5,146 for first spray patch
 - \$91,276 for the sealcoat
 - Austin Engineering's expense \$3,450,
 - \$7,226 for Phase II (will be billed later this year).
 - \$10,000 for spray patch, will be closer to \$5,000.
 - \$55,860 Phase II ditch work.
 - As of August 31, we have \$368,229 in the Road Fund. Leaves us with \$138,860. Of that we have approximately, because \$21,900 for Phase III engineering expenses, that will come out of the \$138,869. We have the estimate of \$7,400 which may go up. Between those 2 you have about \$30,000 which leaves us about \$108,000 at the end of the year. That does not include the lining of the culverts on Westminster, there will be Phase III changes. That is a separate \$30,000 and there will be Phase III engineering costs on that. We had talked last month of saving \$100,000 in the road fund, if that is what we are going to do moving forward, then Phase II ditch work will be the end of the HLA funded road expenses. We will not be able to fit in the culvert lining, it will have to be included in the SSA. The first draw is December 1st.
 - Do we want to hold out \$100K in the road fund and cut it off there and send lining contract to SSA or try to include the lining contract and save approximately \$60,000 in the road fund? Those are the 2 options.
 - Relining of culvert can be done this year. The companies prefer colder weather. There are 2 processes, one uses steam, one uses ultraviolet light no problem as long as it isn't frozen. As soon as it freezes, it may not be done this year. The current cut-off date is November 17.
 - Ok to go ahead and doing the culverts work and reducing our balance in the road fund to \$60,000, I just want to leave something for future unknown expenses not covered by the SSA.
 - Board approval is granted for culvert relining.
 - The County requests an SSA Committee be formed comprised of 3 members from the County and 3 members from HLA appointed by the HLA Board. The purpose of the committee is to make decisions about what work happens and does not happen. Ultimately, that decision comes down to that committee. In the event of a tie vote, the County Treasurer would vote to break the tie.
- **Finance Committee**

The Finance Committee did not meet in September. They are working with board members to prepare the consolidated 2018 budget for review at October board meeting. The mailing to the membership will be immediately after the October board meeting and the budget approved in the November or December board meeting.
 - **Social Committee**
 - Poker Run. Approximately 30 participants. Of the 30 total, 12 people were sponsors of their house. It was good time.
 - Agreed that Halloween trick or treating at Heritage Lake will be Sunday, October 29th 4:00 – 7:00.

Board Chaired

- **Maintenance**
 - Concerning fast speeding complaints on Kenton received at last Board meeting:
 - Increase law enforcement presence on Kenton.
 - May raise the speed limit from 20 mph to 25 mph.
 - Suggested to post signs at each end of Kenton advising that if speeding does not decrease, a speed bump will be installed.
 - Tree down at the dog park, determined an unsafe work area, added section of fence that

Minutes

- eliminates about 20 sq.ft. of the dog park.
 - Plywood has been acquired to start on the pavilion ceiling, we need to pre-paint before installing.
 - Request to mow around the Lodge.
 - **Office Org.**
 - Admin. Assistant Patty Parmele is doing very well and quickly learning office duties. She is also doing a great job reorganizing and cleaning the office.
 - The 2018 office budget is done and waiting for review and approval.
 - **Pool & Lodge**
 - Pool
 - Pool Is drained. Some issues with paint not adhering on the bottom of the pool in certain areas. Areas will be fixed prior to the pool opening in 2018.
 - Problems – we had to close earlier this year.
 - Lodge
 - Extensive research has been ongoing for new exterior lighting for the Lodge. The current light fixtures are original, some globes have been broken and need to be replaced. Current poles are 2" , standards are now 3". The bids were \$5800 + tax and labor \$3,500 for lights and \$2,300 for new poles. I suggest LED so they are energy efficient. Menards has them but they are inferior lights. KDL has quite a few, Menards \$170, KDL \$200-300, and pole lights were \$350 they were fairly comparable to Menards and lot higher standards. Current budget is 5K; the cost for the better quality lights will be over budget approximately \$2,500.00.
 - LED probably 50% more to get LED lights. I don't think we will see a savings of 50% reduction in our energy costs going to those, but is responsible thing to do while we can do it. They will be on dusk to dawn.
- Director Pirtle makes a motion to go ahead to do the lights for \$8K maximum at the Lodge.
Treasurer Waldorf seconds the motion. Vote tally 5-0
- Treasurer Waldorf: Would you work with the office for something really nice from the whole board regarding how we appreciate neighbor's work on the flowers around the Lodge pool area?
 - Electric bill for the Lodge has increased considerably. Vice President Weir is going to contact Ameren and research the cause for the increase and look at options to decrease expenses.
 - Member Kennedy: Electricity did go up about 20-30%. Might want to go to LED. Farmers are going to LED may be costly but cheaper than CFL. Only problem with LED is that you don't want to make daylight. Ameren has been replacing meters.
 - Not sure you can have that option for security lighting.
 - Director Weir: Problem using solar is that batteries aren't there. They only last a year and you have to replace in a year.
- **Administrative & HR**
 - No report
- **Building & Zoning & Security**
 - No report.
- **Outdoor Amenities**
 - The only thing coming up is to winterize the shower houses at the beach and campground before it gets cold. It is left open for Halloween party.
 - David Sanford is done taking the water samples for the season. We need to have a sign posted, to swim at your own risk.
 - There is a slide open/closed sign at the beach.
 - There is a sign at the maintenance shed.

Minutes

- **Website**

- Admin. Assistant Parmele and Secretary Nafziger have the Facebook feeds and HLA emails coming to their phones and are responding accordingly to the inquiries and comments. Thanks to Nicole Shake for assisting in getting them electronically connected.
- Admin. Assistant Parmele started WordPress training today.
- Website worked well for communication for the road issues after the rain.

- **SSA**

- Meeting to vote on the approving the SSA. There is no need for a third meeting.
- I (President Coan) will be attending the County Board meeting.
- Road Chair Brad Reed will attend the County Board meeting if he is available.
- Treasurer Waldorf: Finance Chair Bonnie Lemke and Committee member Sarah Stalzer have been working on the Tax ID list. Treasure Waldorf will go thru GIS unit by unit.
- Discussed the list with Gary Twist at the County Assessor's office. A list of HLA members/residents with the Tax ID matched to their house will need to be submitted December 1, 2017 in order to send it out at the end of March or April when tax bills are sent. The first year may be trial and error as there will likely need to be some corrections.

President Coan: Any other questions?

- Brad Reed: No other expense additions. Phase II ditch work: any trees that need to be cut down, I will work with E.C.C. Chair Rick Stokes to get those done.
- Director Cassatt: Do we do we need to have them approved if in they are in the right away?
- Brad Reed: Probably not, we should at least have an agreement with contractor, instead of giving contractor free rein to take down whatever he wants.

Waste Management

No report

Unfinished Business

- Douglas Fees: Nobu Douglas and her husband had purchased the lot in 1971 and are up-to-date, they called in June and want to give the lot back to HLA. They were paid current. The neighbor wished to purchase the lot. Vice President Weir helped facilitate this transaction. It was sent to the McGrath Law office. Attorney McGrath had 2 people quit while he was out of state. If the closing had occurred before June (as planned) there would have been no road fee charged to the Douglas's. The Douglas's were ready for the closing in June. Now, 3 months later, they are still waiting to close. They are ready to close but now with the lake fee, and if closed before July 1st they wouldn't have owed the Road Fund and she doesn't want to pay the road fund and the lake fee. Is the Board willing to give it a \$0 balance to transfer to the neighbor?
- We would still get \$340 of the Lake fund. We will end up with \$340 Waive \$180 to bring to zero balance.

Treasurer Waldorf makes the motion to move forward with transfer.

Director Pirtle seconds the motion.

Vote tally 5-0

- Member Kennedy expresses interest in purchasing a lot on Kenton for the cost of the unpaid dues on that lot.
- Lease Agreement - Bank has signed the HLA Office Lease Agreement: \$300 per month for 3 years. The Board has agreed to pay First Security Bank all monies due and owing immediately.

New Business

- None

Open Floor for Members

- Member Kennedy: I came last month because of the parking lot fire and that is pretty much a done deal now. Other than there are a couple guys still burning and throwing garbage. Sign says no dumping. Sign says no dumping

Maintenance crew is now started to do some burning at the campground. We rented a wood chipper last Friday. It is a work in progress. There will be a fire down at the Sandy Beach parking lot.

- Member Kennedy: I do have one other question about Kenton and the speed bump: are you

HLA Board Meeting September 25, 2017

Minutes

going to send that out to everyone as an email?

Once the sign is ready we will post on website.

- Member Kennedy: What was the verdict on bringing the speed limit up to 25 mph?

No decision has been made.

Executive Session: pm

Motion By: Seconded By: Vote tally:

Executive Session Adjournment:

Motion By: Seconded By: Vote tally:

Meeting Adjournment: 8:58 pm

Motion By: Director Pirtle Seconded By: Director Weir Vote tally: 5-0