

**JANUARY 13, 2019 ANNUAL MEETING  
MT. KEMBLE LAKE ASSOCIATION**

**MINUTES**

Board Members present: Gail Allyn, Rick Barrett, Bob Edgar, Milt Hull, Austin Godfrey, Ken Heiden, Fred Luberto, Joyce Murray, Charlie Priscu, Nick Stires, and Bobbi Coulter (outgoing treasurer)

Meeting was called to order by President Austin Godfrey at 5:25 pm, following the Lakeshore Annual Meeting.

Roll call was taken, and the shareholders present, together with submitted proxies, constituted a quorum.

A motion to forego reading of last year's Minutes was passed.

**President's Report** by Austin Godfrey: Austin reported that the Financial Review Committee last year was Karen Morrison, Clay Bogusky and Patrick Dyberg. They conducted their review last Spring, and reported that the books and records were in order, and that expenditures were properly documented.

Clay Bogusky and Kevin Sullivan volunteered to serve on the Financial Review Committee for 2019. One more volunteer is needed — please contact Milt Hull.

Austin reported that the Association Dues will not be raised this year. Because of increasing expenses, however, the Board will be looking closely at expenditures during the year, to see whether a dues increase is necessary in the future.

As will be mentioned in upcoming reports, there are a number of Committees working on various issues and projects, and members are encouraged to volunteer and to participate on Committees.

**Nominating Committee Report** by Lori Denson: The Committee of Gail Allyn, Lori Denson, Jeanne McCabe, Nancy Priscu and Carolyn Remmey began work in October to identify candidates for the Board election. Overall they contacted 37 members, including many new residents. Lori thanked everyone who participated, and announced the members elected to two year terms on the Board: Gail Allyn, Rick Barrett, Bob Edgar, Ken Heiden and Milt Hull.

**Long Range Planning Committee Report** by Lori Denson: Meetings with residents to solicit input and suggestions have been completed, including a separate meeting with a kids group. Lori thanked the other Committee members: Bettina Bierly, David Dietz, Alice Healey, Kelly Heller and Colleen Roberts. She also thanked John and Joyce Murray for their help. The next step will be distribution of a Questionnaire around March, which will ask for expressions of interest in various ideas, to allow them to be prioritized.

Austin announced that Gail Allyn will be forming a By-Laws Committee to work on updating the By-Laws, and asked for volunteers to work on the Committee.

**Roads Report** by Ken Heiden: Many residents turned out for the Spring and Fall cleanups which went well, even when the Fall cleanup was delayed a week due to an early snowstorm. Thirteen households participated in the Summer Road Patrol, checking on Lake security once or twice a night. The road closing of Primrose on Halloween was very popular and there was a huge turnout enjoying the Lake hospitality (even announced at the Harding School).

A few projects were accomplished this year: A 12 ft. trench drain was installed in front of the Kern property driveway to address run-off and icing. A local paving contractor patched the water

company cutouts on Primrose and at the parking lot, and did several other repairs. The roads are in sound condition, with the chip-sealing protecting the roads from water penetration and freeze-thaw damage. Hot weather in June and July worked tar to the surface in some areas, and Ken obtained a proposal for full-width asphalt paving of over 1,000 linear feet of problem areas. A vote on the \$40,000 proposal is on tonight's agenda.

For road safety, please observe the speed limit of 25 mph or less. Do not shovel or plow snow onto the road, and please keep trees and bushes trimmed back from the road.

**Water System Report** by Rick Barrett and Charlie Priscu: Rick reported that the new well 4 has been completed and we are waiting for the DEP to schedule an inspection of pump house 1 to be sure that we have met all requirements and to take a sample to send to a State lab. This lab can take 4-8 weeks. The original cost to drill the well was estimated at \$75,000 (approved at last annual meeting) with the actual cost coming in at about \$82,000. However, the total cost for all aspects of this project has come in at approximately \$180,000. A detailed cost analysis was emailed to the community in December and is available on the MKL web site (see that report for more detailed information). Most of the incremental costs can be attributed to expenses incurred to satisfy DEP requirements.

Well 2, which had been our primary well, was taken off-line after the repair of the water line to a home owner, when it showed positive for E. coli. At that time, the chlorine system was not working and an opening was discovered under the cap at the top of the well exposing the well to the outside. These issues have been corrected. The well has been hyper-chlorinated and is now showing no bacterial problems. We have asked the DEP what is necessary to bring this well back into service. The shallow pipe in the well, however, may be an issue.

Well 3 was used to supply the system during the aforementioned upgrades. However, its output is limited, and it had not been used in recent years. We are asking the DEP to allow us to run well 3 periodically as a backup well. Our permit to drill the new well 4 allows us over the next 4.5 years to drill well 3 deeper to increase the flow. However, this would require us to install additional piping for 5-minute contact time for chlorine and completely upgrade pump house 2 which services wells 2 and 3. It is important long term to fully and independently back up wells 1 and 4 which are serviced by pump house 1. Charlie Priscu and the Water Committee will be drawing up a long-term plan for addressing this issue. Charlie asked for volunteers for this Committee.

Rick thanked John Murray, who has been an immense help on this project, as well as Charlie Priscu, Austin Godfrey, Ken Heiden, Chris Allyn, and Bob Edgar for their assistance.

Charlie reported that last year a few small leaks had to be addressed, and when the line to one house failed, a new curb stop valve had to be installed. Charlie will be looking at touching up the water tanks this year, and will be evaluating when they will need to be completely repainted again.

**Dam Report** by Rick Barrett: The dam is in good shape. All the foliage on the back and front of the dam will be trimmed down in the spring. There will be a bi-annual engineering inspection also in the spring as required by the DEP. We will also schedule a training session for interested volunteers on the operation of the new valve system for lowering the lake. Anyone who is interested in participating please contact Rick.

**Treasurer's Report** by Bobbi Coulter and Milt Hull: Copies of the Financial Report were distributed and will be posted on the Website. Bobbi reviewed highlights of 2018: There is \$309,795 left to be repaid on Lakeshore's loan from the State for dam work, as reflected on the Balance Sheet. The Association's accounts receivables are in good shape, with only one Member in arrears on dues. Actual Operating Expenses for 2018 were more than \$100,000 higher than had been budgeted, and almost all of this was due to the new well project. Administrative expenses were up mostly because of insurance, and gas heating for the clubhouse. Clubhouse expenses were up because we had to

completely redo the fire suppression system in the kitchen as required by law. Beaches & Docks expenses for treating the lake for algae and weeds are on the rise. Grounds expenses were high because we had so many dead trees that had to be taken down. Rent paid to Lakeshore was increased because Lakeshore needed cash to meet its obligations.

The 2019 Proposed LCRF (Large Capital Expenditure Reserve Fund) Budget shows the restricted funds being accumulated for large capital projects. The source of those funds are new member fees, a portion of members' dues assessments, and the annual property tax savings from having imposed conservation easements on various Lakeshore-owned lots. Previously \$75,000 was approved from the Reserve Fund for the new well project, which was all spent. Because an additional approx. \$105,000 was spent on this capital project but paid out of operating funds, the Board is asking for members' approval tonight to release an additional \$100,000 from the Reserve Fund to replenish the unrestricted operating funds.

Bobbi has gone off the Board this year, and Milt Hull, incoming Treasurer, thanked Bobbi for her service and her continued help as he takes over the position.

Milt reviewed the highlights of the Proposed 2019 Budget: The budget for proposed operating expenses for 2019 is pretty much in line with last year's, although as noted, some expense categories are on the rise. Some of the significant operating expenses covered under each category: Admin.—insurance and legal; Water—running the system and testing; Roads—snowplowing and repairs; Clubhouse—running the building and maintenance; Beaches & Docks—lake water testing; Dam—State inspections every other year; and Grounds—tree removal.

The Proposed 2019 LCRF Budget assumes 3 house sales every year producing new member fees. In addition to the \$100,000 to be taken out to replenish operating funds because of the new well project, two projects are proposed for funding from the LCRF in 2019: \$40,000 for remediation of excess tar areas (to be voted on tonight), and \$25,000 for new windows in Clubhouse (to be voted on in spring after bids received). Total project spending is budgeted at \$165,000.

Milt reviewed highlights of the 10-year Plan for expenditures from the LCRF: This Plan shows the estimated annual costs of anticipated capital projects upcoming in the next 10 years, such as repainting the water tanks every 5 or more years, and chip-sealing of roads every 4 to 5 years.

#### **Q and A on the Financial Report and other Reports:**

Fran Frigerio and Tara Amaral reported problems with runoff from Primrose onto their properties because road berms have been eroded by snow plowing, and asked Ken to look into the problem.

Lisa Qualben asked that 3 bids be solicited for snow plowing services, and volunteered along with Fran Frigerio, and Fred Luberto to work with Ken on seeking new bids.

Chris Allyn asked about the tar remediation project. Ken explained that once done, those areas would not need to be chip-sealed again in the next cycle (done every 4 yrs), but would be included in the cycle thereafter (at 8 yrs out). For comparison, the Town chip-seals town roads ever 5-7 yrs.

Dale Scolnick asked about the locations that will be remediated, and Ken reported that they were marked out last June.

Terry Dwyer asked the reason water costs have gone up so much, and Rick explained that DEP may require additional testing for wells 1, 2 and 3 to see if they are "under the influence of surface water" at a cost of \$5,000 per well.

Gail Chalfant asked if we ever get an outside audit done, and Austin explained that we do not have an outside audit, although we have outside accountants who prepare our tax filings, and our own Financial Review Committee conducts an annual review.

Dave Denson asked if the source of the E-coli contamination in well 2 was ever determined, and Rick and Charlie explained that it had not. Subsequent testing showed no such contamination, so we have requested permission to use the well. Because of new regulations, however, DEP may say that the casing is too shallow and that we need to drill the well deeper.

**Clubhouse Maintenance Report** by Bob Edgar: A building permit was obtained and construction began on the portico. During construction it was discovered that the front steps had deteriorated and had to be reconstructed, which was not part of the original estimate. The Clubhouse floors were refinished. The Board of Health inspected the Clubhouse and found that we didn't have hot water at the bar sink, and a plumber was hired to fix the problem. A recent inspection by Associated Fire Protection found two of the detectors inoperable, and they will be replaced in the near future. A granite countertop was donated and put on the kitchen island. The deficiencies from the fire inspection were corrected early in the year and the subsequent inspection was passed. A number of the windows are in need of replacement and/or repair. Bob is in the process of obtaining several quotes, after which we will decide how to proceed. Portions of the roof are 30 years old and others 20, and the plan is to replace it in 2020. Some vandalism took place at the Clubhouse, and the kitchen door was battered and got bent. The door knob on the outer basement door was smashed. Fortunately, both attempts to break in were unsuccessful. Bob noted that the basement has great potential to become more useable, and asked anyone with ideas to let him and the Long-Range Planning Committee know.

**Housekeeping Report** by Joyce Murray: Joyce thanked Gail Allyn and John Murray for picking up supplies to keep the Clubhouse stocked. A special thanks to Lynn Edgar for the deep cleaning of chairs, cupboards and silverware drawers. Joyce reminded everyone that no food, even unopened food, should be left in the kitchen after an event, because of the risk of mice. No opened sauces should be left in the refrigerator as the next party people do not know how long said sauces have been hanging on the door. Supplies stored in the basement include paper, cleaning and plastic supplies as well as decorations. Putting items back in the labeled bins after an event is really appreciated. If any supplies are in need of replacement, then a note to Housekeeping Chair, Joyce Murray, or to Country Club Social Chair, Wendy Hamilton, is appreciated, too. Directions for Recycling have been posted in the kitchen and are explained to each renter and event sponsor. However, the Association treasurer keeps getting notices from our recycling service that we are still putting glass and cans in plastic garbage bags. They will not collect/pick up. Please, no plastic bags.

A required Health Department inspection received a Satisfactory report, and we received signs to post advising safe procedures. Also provided is a brochure referencing safe food preparation and a reminder to ask outside vendors that you would like to see their inspection report before supplying food to the clubhouse. According to the Health Department the ice maker does not meet code and must be removed.

Again exercise classes, parties, rentals for birthdays, holidays and a wedding are some of the happenings going on at the Clubhouse. Renters are given a before-use walk through and a post-use audit to ensure satisfactory conditions and clean-up. A check list is also given to them about lights, heating and cooling and other needed info to help them enjoy their rental experience. Supervising professional clean-up and providing access for other professional service providers is reflected in the open door policy.

An anonymous \$4000 donation has been given to the Association for table replacement/upgrade. A Committee of Patti Groff-chair, Nancy Witwer, Marta Lukacs and Wendy Hamilton has volunteered to research options.

**Grounds Report** by Nick Stires: 2018 was a challenging year weather wise with four nor'easters, and the wettest year on record with 64.3" of precipitation. The year started off with several storms that caused many downed trees, and damage to the garden fence. Over the year we pruned about

15 large trees, including the cherry trees in front of the Clubhouse, and trimmed the pine tree at the beach. We also removed 19 large trees, including about 5 that fell into the lake from storm damage. Due to the storm cleanup and excess in downed trees, we were over budget for tree removal. In 2019, with the help of our insurance company and JCP&L, we will look to firm up our procedure for future tree removal.

We had to install locks on the four garden gates due to trespassing issues. There were about 3 available spots open in 2018, and Nick will be reaching out in the early Spring to confirm interest in garden plots for 2019.

Thank you to all residents that helped clean up after the storms, kept Nick informed about various grounds concerns throughout the year, and for all the volunteer unseen work that is done to make a big difference in improving the appearance of our community.

**Beaches and Docks Report** by Fred Luberto: Early in the year, Fred surveyed the lake for geese and potential nesting spots. Nancy Barrett, Nancy Witwer, and Marcia Heiden helped with this task. Fred did extensive research on goose control, and discovered that drones with predator sounds worked well for many others in our situation. Fred obtained a drone and learned how to operate it over water. The drone was outfitted with a sound system to play an osprey sound byte.

In April, Fred and Mary Luberto attended a Morris County Health Dept. Inform Mtg. regarding new State Swim codes. After studying the code and conferring with both the Harding and Morris County Health Depts., Fred essentially was told that we either had to remove the diving board and swim float, or hire lifeguards, in order to open the beach for the season. Since there was not ample time to bring this issue to the community and be able to open on Memorial Day, the diving board was removed and the float was moved away from the swim area. Charlie Priscu obtained a required phone, and Fred got it installed in time for our Health Dept. inspection date. New required signage and medical supplies/beach equipment was handled by John Murray. There was a great turnout for beach clean-up, with lots of work done and then a pizza party. Thanks to all! By May, after jumping through all the hoops in less than a month, we passed beach inspection and received our permit to open!

In response to the community's feedback, it was decided we would continue to pursue other options; ie, checking into having lifeguards or applying for a waiver from the requirements, and bring the options to the community. Alex Conti investigated the legal end and the waiver process with positive results. Her contact at the state level indicated that a waiver might be possible going forward. A community meeting in June was held to discuss the situation and options for next year. Chris Allyn volunteered to meet with the local board of health to pursue these options, but the board of health didn't give us any support.

Meanwhile, Lake residents seemed to adapt to our new arrangement and kids were having fun with their own inflatables. Mary Luberto purchased Adirondack chairs for the beach, as well as planters, to enhance beach appeal.

Water Quality testing showed very low coliform (E.coli) levels due to reduced goose population. But there were many algae blooms due to high nutrients (Nitrogen and Phosphorus). Plant growth at the upper end of the lake was very low due to the previous year's herbicide treatment, but native plants help control algae growth, and with the unusually warm season, and the small size of our lake, we ended with decreased water clarity. Fred and Mary are currently researching the use of harmless, beneficial bacteria as a method of algae control. In September, Fred surveyed the depth of the breeder pond to establish a baseline for the future.

In October, Fred formed a Beaches and Docks committee, including himself, Mary, Joan Fitzhugh, Nancy Witwer, Barbara Coe, Bill Haynsworth, Roe Bowden, and Newton White. The group addressed the lifeguard, swim float, and waiver issues, as well as other issues, including the PortaJohn the state is requiring for the beach. Joan volunteered to pursue the waiver, and after her

diligent efforts, she was successful In getting us a waiver from the state to have a swim float meeting State standards. Fred has been in touch with a float manufacturer to order it, as soon as we get the waiver in writing.

In the coming year, Fred is looking to refurbish the Fishing Hole dock, organize boats, dismantle the rest of the diving board framework, and form a Lake Ecology Committee to look at new options.

### **Q and A on Beaches and Docks Report:**

Gail Chalfant asked about the float at Lake Trail East, and Fred said that would remain there, and Joan Fitzhugh said that, based on her conversation with the State, there should be no problem with it.

Jane Dwyer questioned whether we should eliminate the diving board dock completely, but Joan noted that it meets the State code, and Fran pointed out that kids like it.

Chris Allyn asked what would be done with our old swim float that is to be replaced, and Fred said that either he could put it across the lake where it was located last summer, or use it at the Fishing Hole. Austin suggested that Fred's Committee consider what to do with it.

Roe Bowden thanked Joan and Fred for all of their time and efforts working on these issues.

### **VOTING**

At Austin's suggestion, a motion was made to forego a Vote by written ballot on the issue of whether to have lifeguards at the beach. Instead the Vote was taken by show of hands, and all votes cast except one proxy ballot were against having lifeguards at the beach.

Votes were taken by paper ballots and proxy-ballots on the Board's three financial recommendations, and Austin reported the results:

- The Board's request to move \$100,000 from the Long Term Capital Fund to the unrestricted operating funds for the completion of well 4 was approved by vote of 132 to 4.
- The Board's request that \$40,000 be approved for paving portions of roads with excessive tar was approved by vote of 121 to 15.
- The Board's request for approval of the proposed 2019 Budget was approved 131 to 5.

Sarah Churgin reported seeing more litter and dog waste being left around the community, and asked residents to take more responsibility.

Mary Luberto thanked Bobbi Coulter and Tawnya Kabnick for their many years of service on the Board, as they went off the Board at the end of 2018.

Meeting was adjourned at 6:55 pm.

Upcoming Association Board meetings at the Clubhouse:

February 4 at 5:00 pm

March 11 at 5:30 pm

April 8 at 5:30 pm

Respectfully submitted,  
Gail Allyn, Secretary