

BOARD MEETING – March 22, 2018

PRESENT:

JOSEPH ASPELUND	ROBERT FEHON	STU KIPILMAN	RUSSELL NOLAN
GREGG BUNCH	MICHAEL ILARDI	JOANNE MACHALABA	RUSS PENCAK
ROGER CROOK	GLEN KATZ	BEVERLY NEMIROFF	KIM STECHER
PAT DEGNAN	MARK KEMPNER	KRISTEN NEU	ROBERT TORCIVIA
			JOY WEINREICH

ADMINISTRATION: DAWN SULLIVAN, Esq.

ABSENT: GREGG BUNCH, JOANNE MACHALABA and KIM STECHER

Michael Ilardi, President, called the meeting to order on Thursday, March 22, 2018 at 8:03 p.m.

Joy Weinreich Roll Call

Michael Ilardi

MOTION #1: Motion to approve the minutes of the February 21, 2018 Board Meeting.

2nd by Russ Pencak

Michael Ilardi Anybody have questions or changes to the minutes?

- It was questioned about where the Women's Club Motion that Michael Ilardi made was and pulled to go back to Committee. Check recording to possibly amend the minutes to include discussion.

Motion Carried

CORRESPONDENCE

- February 27, 2018 thank you note from William Crispino to the young kid, Kenny Mennena who found my phone that I lost in the woods while taking a hike and to Security, Dave Stalter who looked at the phone, figured out it was mine and brought it to my house personally. I wanted to make sure Security was recognized for doing such a kind thing for me. Its reasons like this we love living in the Lake.

GOOD & WELFARE

Gerry Primavera – 29 West Lake Shore

- Want to recognize the service of the community.
- As a past member of the Women's Club and past Officer-in-Charge I speak with ... (in audible)
- I appreciate the Board members that support their efforts but I feel that last month's vote was a disservice to the 2,300 members of this Community based on precedent setting votes that occurred for the pre-school. And now this being recognized by many poses a risk and I hope the Board and the Committees can work towards in the future legislating to protect our interests for all the future generations.
- My regret to the vote was discounting recommendation from Counsel and several Board members who have been on the Board for greater than 4 years. The vote approved the action to support it.

Barry Mendelsohn – 53 Oakland Avenue

- With all the snow we've had, I'd like to compliment those who cleared all the common properties and made it safer for all in the Community.
- I'd like to compliment those who put together last months meeting on the quality of the Lake. I thought it was excellent and well done. Keep up the good work.

Joy Weinreich – 7 North Brookside Drive

- I would like to thank Michael Ilardi for helping me out every single time it snows. He does not ask, just comes over.

PRESIDENT'S REPORT

- Nominating Committee
 - o We will have 5 members and 2 alternates. The members will decide how they want to divvy themselves up.
 - o Dave Press, Chair (and they can change that if they choose to), Pete Shappe, Debbie Migliore, Keith Small, Barry Mendelsohn, Rudy Riveron, and Mitch Epstein.
 - o **Asked for a show of hands that the Board accept it? Yes.**
- Thank you to Maintenance with all the snow this month. They are way behind on what they normally would be doing.
- Thank you to Lake Committee for the Community Information meeting they had on the Lake. It was very informative and had a good turnout of about 75 people.
- Thank you to Joanne and Gerry, the Lake Committee and the Office for the 3 boat signup days. They went very well.
- Motions should be read exactly as it is going to be handed in. Then wait a few seconds to clearly get a second and then we can have a discussion. The explanation does not need to be read into the minutes. The explanation was generated to provide information to the Board so we did not have to ask questions. If someone has a question on the explanation, ask it. If you see something out of the ordinary you can explain it as you see fit during the discussion. DO NOT read Motion, Explanation and wait for a 2nd. We are getting out of procedures. It will be documented the way we say it, not as we write it otherwise it can lead to 2 different versions.

OFFICE REPORT

- See March 2018 report distributed.
- Dance numbers were questioned. 75 this year and 38 last year. Large increase from last year. Did we sign up any outside people?

SITE MANAGER'S REPORT

- See March 2018 report distributed.

MAINTENANCE REPORT

- See March 2018 report distributed.

TREASURER'S REPORT

- February 2018 report not distributed, as they are not correct.
- POA details are fine. Detail totals got corrected but did not get transferred to the summary page so those numbers are not correct and that is the page that gets shared.
- All the information has not been sent to the Auditors as Mark is still in the process of learning.
- April deadline for our audit will probably be pushed back due to change in accounting managers.
- An invoice for \$107,000 dealing with the Dam that came in in March caused some problems.
 - o We had to look into some of the items and see where he should take it from.
 - o It was in the Dam line, which is a \$5 line, and it was explained to him that it had to come out of some of the funds we voted on.
 - o Some money came out of the Late Fee account, some came out of Equalization, some came out of Capital Fund, some came out of Sinking Fund, and some out of the budget.
 - o 2017 Budget money was all used up.
 - o Late Fee account all used up.
 - o Part of the Equalization Fund used up.
 - o Most of the Sinking Fund money used up.
 - o Capital Fund money is still available.
 - o When this invoice is paid, there will be about \$35,000 to \$40,000 left that is authorized to pay for more stuff.
 - o \$75,000 in last year's budget, \$75,000 from Sinking Fund, and \$100,000 from the A-Field.
 - o Late fee account was used for engineering and now tapped out.
 - o There is about \$12,500 left in the Sinking Fund.
 - o Capital Improvement Fund has all of the \$75,000 left.
 - o Equalization has about \$58,000 left.
 - o If we need \$50,000-\$75,000 then we need to figure out where it's coming from.
 - o Some of the money used was for the Pedestrian Deck.
 - o There should be a residual of 5% that we hold back and that is due.
 - o Pedestrian Deck is a separate Motion.

- We owe 5% residual, \$10,000 for extra work, \$35,000 for pedestrian bridge = \$60,000.
- Due to some problems we ran into with engineering, there is probably about another \$10,000-12,000.
- Based on speculation we will need about \$75,000 and therefore possibly need another \$35,000.

LEGAL COUNSEL'S REPORT

- Email sent to look into the Rockaway Pump Storage Hydro-Electric project. There was a notice and preliminary permit back in 2011 and we can't do anything because we have to do something within 60 days.
- On July 31, 2014 the permit expired with no further action taken. If we want to start over, we have to start over from the beginning with a notice and everything.
- Spoke about "Guidelines for preparing Committee Minutes" that she drafted. Guidelines are just that, guidelines. Guidelines handed out states that each Committee shall keep reasonably comprehensive minutes of all its meetings showing the time and place, the members present, the subjects considered, the actions taken, and the results of each vote. They should not be verbatim but bullet points. Minutes will be made available to the public upon approval.
- Keeping busy on other various researches, assignments and projects.

COMMITTEE REPORTS

Planning

- Is working on the preliminary stages and funding of the 2018 WML Reserve Study that will be discussed under Old Business.
- Thinking about using an existing Constitutional fund and making a change to that or making a third fund.
- The attorney's office input was to add a fund and not changing the existing fund that's in the Constitution. This will go to the Committee as discussed amongst the Board at dinner.
- If you are interested, this will be discussed at the Planning Committee meeting.

OLD BUSINESS

Michael Ilardi President

MOTION #2: Motion to accept the Reserve Study as presented.

2nd by Mark Kempner

Discussion:

- The 2018 Reserve Study for WML was created by Stu Joseph with input from:
 - WML Site Manager, Charlie Bogusat.
 - The 2017/2018 Board Members and their committees.
 - Various members of the office staff.
 - The prior reserve study.
- **BACKGROUND**
- This study attempts to identify a replacement schedule for the capital assets whose replacement costs exceed \$10,000 in today's dollars.
- This study also includes repairs to capital assets to the extent that the repair is estimated to exceed \$10,000 and would substantially extend the life of the asset.
- Assets less than \$10,000 were identified in the study, but were not included in the calculations as it would be expected that they would be included in the annual budget.
- Lake dredging is not included in this study. If deemed necessary, funding for Lake dredging would need to be addressed separately.
- All figures are estimates. This includes replacement costs, remaining life, and the lifespan of a new item. It is expected that individual estimates will be inaccurate; some will be too high while others will be too low. However, the overall deviations should tend to offset resulting in a useful replacement schedule and estimate of funding needs.
- A long-term inflation rate of 3.5% has been assumed.
- 2019 is assumed to be the starting year for purposes of collecting money and spending money on capital assets identified.
- **FINDINGS**
- This study shows a need to collect a significant amount of money each year for capital asset replacement.
- Significant cash needs are estimated to occur in years 2025, 2033 and 2038.
- The average annual amount needed over the 40-year span is \$235,580.
- **SPREADSHEETS** were attached to the Reserve Study.

- RECOMMENDATIONS
- WML should set aside an amount of \$130,000 in 2019 and increase this amount by 3.5% every year.
- Even with this amount, a collection shortfall will begin immediately and increase for several years with a peak shortfall exceeding \$800,000 in 2025.
- Existing reserves in the Sinking Fund, Capital Improvement Fund, and Equalization Fund will likely be needed.
- Spreading out some of the spending will help cash flow, but it will not eliminate the overall cash need.
- After 2025, collections should exceed the asset replacement needs, so funding could be scaled back.
- This study should be reevaluated in 5 years as 2025 approaches. Afterward, it should be reevaluated no less frequently than every 10 years.
- SPECIAL RESERVE FUND:
 - o Will most likely only be for items earmarked in the Reserve Study.
 - o If you're on a Committee and forgot about an item, and it is not on the latest version of the Reserve Study list, then it is not known how you will get the money before 2025.
- Motion: Voting and approving that this Study appears to be complete and makes sense.
 - o Recognize that there will be significant cash flows.
 - o You are accepting that there are inaccuracies.
 - o This is a tool that is a starting point to help us identify if we want a funding mechanism, what we should be looking for and how we want to go about it.

Motion Carried

DISCUSSION: HIGHLANDS ACT

- The Highlands Act removed rights from homeowners.
- The State then created two different ways to compensate landowners for the rights the State had taken away to protect the Highlands.
- Last year we voted down the right to sell the land to the State.
- Information was presented from the New Jersey Highlands Council on the Highlands Development Credit (HDC) Purchase Program along with and HDC Property Report and Highlands Development Credit (HDC) Allocation Application Form.
- The Highlands Development Credit is to create a market force/mechanism whereby they can encourage building where they want building to happen and discourage building in places like our woods.
- Credits: We sell our rights to someone else who wants to build more than the zoning law will allow them to build at another acceptable location. We make money without selling our land.
- The Highlands Development Credit Estimator is a tool designed by Highlands Council to provide an **estimate** of the potential allocation of development credits that should be awarded to a property to offset the development limitation placed on that property by the Highlands Act.
 - o Lot size: 150.47 acres with **estimated credits** of 314 (most likely less because of topography, overstates value considerably).
 - o Credits = \$16,000.00 each.
 - o To receive an official HDC allocation, an HDC Allocation Application must be submitted to the Highlands Council.
 - o The number of credits that are allocated to a property are partially based on the pre-Highlands Act development potential of the property.
- By submitting this Application, **WE STILL OWN THE LAND and control it. No hunting, public access, etc.** We are only giving up our right to build on the land.
- An Application is necessary to get a survey to see how much is buildable to get allocation credits.
- Filling out an Application is not a risk, does not have any cost to us nor have any obligation on our part to participate.
- Rockaway zoning is 1/8th of an acre.
- With the Highlands Act, we could probably only build 3 or 4 homes on the property.
- Right now there is no funding.
- Application for Allocation will go to our attorneys for review before submitting.
- Informational Meeting: It important how it is written and presented.
- **Consensus** of Board was to put information in April Newsletter to have a Community meeting in April prior to May Board Meeting and voting to submit an Application for Allocation.
- It was stated that there should be no discussion on social media, it should be held for the Community meeting.

DISCUSSION:

- September 19th Board Meeting is scheduled on Yom Kippur and now rescheduled to Thursday, September 20th.

NEW BUSINESS

Mark Kempner Past President for Lake & Lake Reclamation (Joanne M. not at meeting to present)
MOTION #3: Spend \$3,625.78 with Sahara Sand to purchase 150 tons of sand for under the kayak racks on Beach 1. This includes sales tax. Funding to come from Line 521.02.

2nd by Michael Ilardi

Discussion:

- Asked if there is any other ways to do this than spending this amount of money?
- Response: No. Area not conducive to growing grass or anything there. Removed as much asphalt, etc. possible but some remains.

Motion Carried

Beverly Nemiroff Chair, Camp
MOTION #4: Motion to hire Nicole Criscione as Assistant Camp Director for the 2018 summer season at a salary discussed in closed caucus. Money to come from Country Club Camp Budget.

2nd by Pat Degan

Discussion:

None

Motion Carried

Stuart Kipilman Chair, Security
MOTION #5: To hire AFA Protective Systems to replace alarm panel at the A-Field building at a cost of \$2,750 plus approximately \$400 in taxes and fees. Monies to come from Line 513.18.

2nd by Russ Pencak

Discussion:

None

Motion Carried

Joy Weinreich Co-Chair, Festival Day Committee
MOTION #6: Motion to accept D&M Fireworks to provide our fireworks display for Festival Day on July 15th, 2018, in the amount of \$6,300. If necessary, rain date will be Sunday, September 2, 2018 (Labor Day Weekend). Monies to come from Country Club.

2nd by Russ Pencak

Discussion:

- Asked about other quotes? If not, why?
- Response: There are not too many companies that will come into the State of NJ because of the tax structure so we are very limited.

Motion Carried

Discussion Explanations on Motions

- Asked about explanations being included on Motions.
- Guidelines on votes do not have explanations as a requirement.
- Guidelines talk about explanations for phone votes to make sure you try to preempt any questions you may get when you do not have a phone vote.
- Explanations on a regular vote are informational and usually unnecessary.

Beverly Nemiroff Chair, Beach Committee
MOTION #7: Motion to accept the proposal with Ferriero Engineering, Inc. for replacement of the Beach 3 Footbridge. Cost for this proposal \$1,250 to complete Task, Pedestrian Bridge Plan and Specifications, Construction Administration & Inspection. This will come from Line 503.08 and will not overspend the line.

2nd by Pat Degnan

Discussion:

- Asked if it is possible to put a pre-fab bridge in?

- **Response:**
 - o Chris never gave us a bid for this project.
 - o The engineer who wanted to design and build a pre-fab bridge was astronomical – about \$30,000.
- Noted that once we get the concrete done, maybe we can build it ourselves?

Motion Carried

Robert Fehon

Co-Chair, Athletics

MOTION #8:

Motion to repair the Horseshoe Pits at the A-Field at a cost not to exceed \$4,500. Money to come from Line 501.12 (seed and maintain A-Field). This will not overspend the line.

2nd by Mark Kempner

Discussion:

- Is there a company/vendor name?
- Why not 3 quotes? And why is quote not in here?
- **Response:**
 - o We wanted to get 3 quotes but it has been very difficult to get people to bid on the horseshoe pits at all.
 - o We got one, waiting for a 2nd. If 2nd comes in too high, the gentlemen who play horseshoes maybe able to do it themselves and save us even more money.
- Asked what are they going to do for \$4,500?
- **Response:** The materials alone according to the estimate we were given were about \$3,000.
- Bid received was \$3,500 + tax. Did not include any permits, fees or \$800 for cement slabs if they break.
- The horseshoe pits have sunken so much that they have to be raised.
- There is not enough light at the pits. They want one additional light that will be approximately \$1,250 all inclusive.
- One vendor seems to understand and went over to look.
- Asked if this passes, is there a contractor that will come and elevate it with crushed stone.
- **Response:** Yes.
- Stated that it is hard to vote on this without a contract specifying exactly what will be done.
- If our men do it, it will be over \$2,700 for materials with crushed stone and raising it.
- There is a time restriction with the team having to start soon.
- If you get more information and it is urgent, send it out for a phone vote.

Motion Defeated

GOOD & WELFARE

Pat Degnan - 88 Valley View Drive

- Received a couple of concerns/complaints regarding the boat sign-ups (not people with pontoon boats) regarding having to come in the morning and again in the afternoon. They felt they were wasting an entire day just to get a boat dock.

Barry Mendelsohn – 53 Oakland Avenue

- Credits for the Highlands property.
 - o Some of the things we may want to think about for the public meeting are:
 - o How much are we going to receive?
 - o How will the Board spend it?
- Board member asked after we get the application would we have a better idea?
- **Response:** Yes. Without an Application, we can only say it will be somewhere between \$250,000 - \$5,000,000.
- Board member stated that the response is: We are transparent so we don't have the answer till we communicate to you and move ahead.

Stu Joseph – 25 Old Middletown Road

- My home backs up to A-Field. The lights at the tennis courts do an excellent job but should be shut off when not being used late at night and when they cannot be used.
- A-Field parking lot gets used an awful lot by what appears to suspicious activity by the youth in the evening hours.
- It was noted that:
 - o Gates are closed by security when it gets dark.
 - o When viewing security camera, we see Security and Township Police there.
 - o Neighbors need to be proactive in calling police.
 - o You can't close early when it's ball season.

- People want it open during the day so kids can play in the snow.
- The Board has to vote on a Rule for security to follow and abide by.
- At this time, security has to lock gates at 10 p.m. until something else is put into effect.
- If a car is parked with no one in it, the gates are to be locked.

Gerry Primavera – 29 West Lake Shore

- Lighting is terrible for horseshoe pits. They were put in for tennis courts. There are all kinds of shadows.
- Is the new light being proposed on an existing pole? Or talking about a new pole to give light from another direction?
- **Response:**
 - The horseshoe team is the one that suggested the 2 LED lights to replace the ones that were there.
 - One was causing a shadow and 2 would be better.
 - Now they are asking for a third light to be installed between those two on the same pole.
- Day 1 was 126 people for Kayak racks. 101 were there at 9 a.m.
- Day 2 was 26 people for boats in the water. 20 were there at 9 a.m.
- Some wished they really didn't have to come back.
- All day that day, camp was having the last day for discount early birds.
- Not many were happy. Many accolades but it was a lot easier.
- 26 in line for boats in water, however, would have been 146 in line behind kayaks or 176 in line behind the pontoons all in one day.
- Everyone who came back, relaxed in the warmth.
- No one had to come at 9 a.m. Anyone could have come at 12 noon or 12:45. The office was open. Then they could have gone down to the trophy room and waited on line and have been #27 instead of #26. They did have that option.

Mark Kempner – 4 North Lake Shore

- In lieu of Stu's Reserve Study and how we spend money as a Board, myself included, I find it very hard if someone can draw a line and spend \$8,000 on 8 guys. You have to pick and choose sometimes where we spend out money. That's just my thoughts. I did not want to say it as a Board member but as a resident.

Michael Ilardi Motion to adjourn meeting at 10:20 p.m.
2nd by Russ Pencak

Next Board Meeting is Wednesday, April 18th@ 8:00 p.m.

Respectfully submitted,

Recording Secretary

APPROVED BY: Michael Ilardi
Michael Ilardi, President