

VBHA MEETING MINUTES

Valleybrook Homeowners Association

Monthly Membership Meeting September 14, 2021

Call to order 6:33 PM

1. Board attendees named and total number in attendance:

<input checked="" type="checkbox"/> Justin Buccilli (President)	<input checked="" type="checkbox"/> Aldo Cardoni, Jr. (Vice-President)
<input checked="" type="checkbox"/> Joseph Ghobreyal (Treasurer)	<input checked="" type="checkbox"/> Janet Maffei (Secretary)
<input checked="" type="checkbox"/> George Kuney (Director of Architecture)	<input checked="" type="checkbox"/> Andy Zachar (Director of Facilities)
<input type="checkbox"/> Jim Holt (Director of Operations)	16 Valleybrook homeowners

Board of Directors: ☒ Present ☐ Absent

2. Approval of minutes

VBHA community meeting held in the clubhouse. Board provided September 2021 minutes to community to discuss. All attendees had the opportunity to review and ask questions. Motion to approve, unanimously passed.

Justin Buccilli, President, asked that everyone go with a bit of decorum. When multiple people want to speak, please wait until you are recognized by a Board member and state your name and house number to identify with whom we are speaking. The names and house numbers will not go in the minutes, we will maintain anonymity.

First order of business will be the introduction of the candidates for the open board positions and a question-and-answer period. We have four homeowners running for three positions.

Candidate Jeff Vanderlaan: "I live at 202 Bishops in the back court. I've been here since 1997. I've raised three daughters here. It's been a fantastic place to raise a family. I really enjoy this community and just wanted to give something back. I now find myself with more free time because all my children are out of the house, so I figured I'd chip in and help around here.

Board question: "We have four new projects coming up: the siding behind the houses, the basketball court, the installation of the security system and the lighting project. How would you prioritize them?"

Jeff Vanderlaan: "Without knowing all the details of those projects because I haven't been involved in it, out of those four, I would think that safety would be priority number one. I know that the basketball courts have some issues and there's been an issue with outsiders coming here and we've been told we need to fence that in as a safety concern for children as well as keeping us from having any liability if someone should get hurt that shouldn't be here. So that and along with that safety with security cameras would be on the top of my list of those two if I had to prioritize. The siding

project is another one that's been going on for a long time. Getting everything uniform is going to increase the value of all of our homes. So, I think it's pretty important to get that completed. The lighting project is also important but since we already have lights today, I would say that's less of a concern."

Homeowner question: "What is your occupation?"

Jeff Vanderlaan: "As of six weeks ago, I am the senior network administrator for the County of Chester."

Board question: "In the last twelve months, how involved have you been in HOA meetings and things like that?"

Jeff Vanderlaan: "I was at most of the Zooms. My last position I worked a lot of evenings, and it was easy to do the Zoom meetings because working with computers, I can do that from wherever I am. Once the Zoom meetings stopped, it was a little more difficult plus with the fear of Covid, during that time I didn't think there was anything important enough that was going on that I would want to take the risk of introducing Covid into my household. I have elderly parents that I Take care of a lot, so when the Zoom meetings stopped, that was probably when I stopped. But as I said, as of six weeks ago, I am now working for the County of Chester. It's ninety-nine percent day work so I don't have any evening tie-ups anymore."

Board commented: "Being a safety-oriented guy too, I appreciate your outlook on things, and again, probably because you haven't been knee-deep in some of the stuff we've been in, the security and lighting project are kind of married together. We need the new wiring, conduit to power and operate the security cameras. So, they are intertwined together."

Jeff Vanderlaan: "The way I understand it is, the security cameras aren't going to be throughout. I could be wrong. So, there's a part of that lighting project that could be a priority because that's going to feed the security stuff, but the rest of it, I guess, would be lower on my list."

Board commented: "We're working through stages. Some developments came up with authorizations, municipality with how we had to do it, made the price increase. We can't do it all in one shot, it has to be done in stages. Just to clarify, they're not separate entities, they're tied together. We did a little repair on the basketball court, but it needs more and it needs security from people playing on it to us sponsoring it."

Board member commented: "As a follow up to previous question, HOA members meetings are the second Tuesday of every month and then the Board for Executive session on the fourth Tuesday of every month. Typically, those meetings start at 7:00pm. No issues making those meetings?"

Jeff Vanderlaan: "With my current position, I'm done at 4:30 so there should be no issues."

Board commented: "Depending on your position, if elected, the Board reorganizes, there may be times you would need to meet with a contractor, a lot of times our contractors can meet after business hours, some are accommodating, some are not as accommodating."

Jeff Vanderlaan: "And while it may change, I'm currently working from home ¾ if not more."

Candidate Justin Buccilli: "For those that don't know me, my name is Justin Buccilli and I have been an owner since 2009 and we've been proudly raising our daughter here since 2014. This is currently my second stint on the Board of Directors. I previously served as Facility Director from June 2011 through October 2012 and then during this three year term, I again serve the Facilities Director from October 2018 through October of 2019 and I have served as President since October 2019. In the past three years, the Board, as a whole, has made some pretty good upgrades and quality of life improvements: installation of the new plaster surface at the pool, repairs to the underground sewer pipe infrastructure along with a contract for monthly maintenance of the same, routine maintenance of trees and the occasional emergency tree work that crops up and some general landscaping improvements. We recently entered into a contract to upgrade and modernize our aging sewer plant and we've also begun the first phase of a multi-phase project to improve the outdated and inefficient lighting system. The point of this is balancing what you need to get done with a reserve study budget so that we

can have funds immediately available for the projects we need to do and also putting something aside so that we're not in a position where we don't have funds to repair something if something were to break or go wrong.

I currently work as a statistical programmer for an expert consulting firm and that job has provided me the opportunity to work with data and people across a wide array of industries and arenas. That diverse clientele helps me develop an array of problem-solving skills and the ability to adapt to changes while working in a team setting to solve complex problems, effective time management, and the ability to juggle multiple projects is also part of my requirement and those are very helpful with trying to juggle personal life, professional life and Board life. During my time on the Board, I've had the pleasure of meeting many of my fellow residents, hope to meet many more still and my focus has always been to work with the Board to make the best decisions for the benefit of all of the Valleybrook residents because at the end of the day, that is who and what I am, a proud owner in Valleybrook, just like the rest of you. So, I want to thank you for your time and consideration of my interest in remaining a Board member and I hope to have your vote in the upcoming election."

Board member commented same question (pertaining to availability for meetings, priority of projects).

Justin Buccilli: "I've made every meeting in the past twelve months. As far as the priority of the projects, as Andy alluded to, we did do a temporary, a very temporary, fix on the basketball court, so while it still needs some work and some additional security, it's at least not as dangerous as it was. So, I would put security and lighting at 1A and 1B, if I may, because again, as Andy alluded to, they're kind of tied together. So, to do the security cameras we need the underground infrastructure. To do the underground infrastructure, we need to start the lighting project because right now, our wires are buried about two or three inches down in the ground and they're not in conduit so and they keep breaking because they're old and people can hit them with a weedwacker because they're not buried. I would put the lighting first only because we need the infrastructure, but piggybacking right on that, especially in the areas where we're going to put the security cameras, will be to do those areas first to the extent possible so that all the security cameras could be installed as soon as possible. So, those are my top two because they're kind of linked. Third in the listing would be the basketball courts because again, it is a liability in a potential lawsuit issue. So, getting that done properly resurfaced and fenced in, would be my next highest priority. And while I am certainly striving towards getting uniformity throughout the community and those residents that have not gotten their siding will eventually get it, it's less safety concern, it's less liability concern, it will look nicer I agree, so we do want to move forward with that, but given the security and safety concerns that the other three projects address, I feel like siding is probably at the bottom of the list but certainly not something that we're going to ignore. And to answer my own question, I don't have any problem making the meetings on Tuesdays."

Homeowner asked under what auspices, a person went through here, doing inspections, not delivering written requirements to the homeowners, abused and harassed homeowners and tried to defraud them of their just property. That doesn't cut it here. We have rules and regulations of how to conduct things like this in the community. You guys have always abided by this, but not this year. Not since October. And I've heard from a lot of people that this individual has gone way beyond anything that the Board gives him the power to do. Therefore, it's out from under the umbrella of protection that the Board affords, through fault or no fault, and that opens you up to a lawsuit, a big one. And I wouldn't be the only one, and I don't want to see that happen, because the last time, it was pretty nasty. And it could get worse. We have to do something about it and you all know what we have to do, or there will be suits. And I have no problem telling every one of my neighbors that. You cannot ask people to do repairs or upgrades or anything else without it being in writing. You can't come tell people that they don't own property that they full well know they do own. The person doing this has a license to do with realty. That opens him up to a lot of trouble and I'll be glad to give it to him. I've lived here 46 years. I was one of the original owners. I helped write the rules. We did it in this room, each taking a portion. We had a lawyer who knew what he was doing. So, I do know what the laws are. I took full control of that house in '91 and I did look into the laws, because it was mine. And, I found this law. (inaudible) So, I think you know what I want. I think you know what you need to do, and I hope you'll do it.

Board commented if that information is brought to the Board, and there is corroborating testimony or evidence, that is something the Board would have to take seriously and look in to. There is no doubt that we want to protect ourselves, we want to protect our owners, and we want to protect the HOA. If it's something that comes to our attention and needs to be addressed, rest assured, we will address it.

Homeowner commented having no wish to damage the HOA. If push comes to shove, I would and I know quite a few homeowners who are quite willing at this point. We don't like being harassed and abused. We don't like someone attempting to defraud us. We're not putting up with it. We're going to the district attorney's office. I'm a protected class citizen, I'm a senior citizen who is disabled, don't mess with me. I will get restraining orders, I will place an incidence against the license in Harrisburg.

Board commented complete understanding where homeowner is coming from. I hope it doesn't come to all of that, but if it's something that's brought to our attention that we need to address, we, as a Board, will address it.

Homeowner commented Board knows what needs to be done first, although steps have been taken that homeowner is happy with.

Portions of homeowner's commentary above were inaudible

Candidate Aldo Cardoni, Jr: "Good evening, everyone, my name is Aldo Cardoni, Jr. I reside at 21 Bishops Drive. I'm married to my wonderful, loving wife Pam for the past 37 years. We have resided in the Village of Valleybrook since 1984. We actually bought two months after we were married. We raised two wonderful children, Tim and Kimberly, who are now grown and successful adults. After 43 years of wonderful employment with State Farm Insurance Companies, I decided to retire on November the 1st 2018. I was originally elected to the Board in October of 2018, handled the architectural responsibilities for the first two years and over the past year I've handled Vice President responsibilities trying to head up this lighting and security project. Over the years, I've seen many changes throughout the community. I would like to continue to use my free time to further help the community grow and improve. I certainly hope I can count on your vote. As far as prioritizing, lighting and security, I think, has to be number one as they both go hand in hand. As I give my Vice President's report here in a few minutes, I'm going to go into more detailed information regarding the lighting project and it will certainly cast some additional details as to what exactly is going on. So, I think number one is lighting and security to get that replaced and get the security cameras up and running. My second priority would be the basketball court. I know we just had the surface refinished, a lot of those cracks and everything were filled in. I think eventually, as a Board, we spoke about somewhere down the road, putting a ten-foot fence up maybe around the basketball court with some type of security gates similar to what's on the pool, and that would actually stop some of the outsiders that were seen coming in to play on that basketball court. And the third project I would put in place would be the siding project because there isn't much of a liability regarding that siding project but there certainly is with that basketball court. As far as making the meetings on the second and fourth Tuesday of each month, I do not have a problem with that."

Candidate Jim Holt: (read by Justin Buccilli in Jim's absence) "My family and I have lived here in Valleybrook since 1984. During the course of those 37 years of residence, I took a more active role in the operations of the community and served in various positions on the Board. Over 13 years of being on the Board, I have held the positions of President, Vice President, Architecture, Facilities and Operations Director. During my tenure, I have acquired a very broad knowledge base as to what is needed to keep the community operating smoothly for the benefit of all homeowners. My past personal life also includes owning my own retail business for 35 years. Experiences from owning your own business mirrors the knowledge base that is very helpful in managing a community such as ours. Always of importance is safety and security, cost effectiveness of the operation, long term goals and good and fair customer service. Valleybrook is nearing 50 years of age. I am familiar with the reasoning of why things were done the way they were in the past. Making use of my strong business background and work ethic I always keep in mind how to best channel my past work history into making sure our community progresses to maintain its viability in our locale. I hope to continue utilizing my business experiences and those 13 years of community service to move Valleybrook forward into the next 50 years." Obviously, without Jim being

here, he can't answer the subjective question about prioritizing the projects but obviously, except for tonight, Jim has made every meeting in the past 12 and all the Exec sessions and has not had any trouble attending the meetings on the second and fourth Tuesday of every month.

3. Reports

President's Report

- October Special Meeting Information for the Business Line of Credit

The business line of credit meeting was to have taken place this evening but unfortunately, the Board was notified of improper amount of time for the written notice. Our Declaration states that we need to give 30 days written notice and since letters hit some mailboxes August 19th and August 20th, that gave 26 and 25 days respectively and was brought to the Board's attention that if we move forward that vote we would have been challenged for improper notice, so rather than waste time and legal energy, we simply cancelled that vote and sent out a new mailing with new proxy ballots for the October meeting. On October 12, at 6:30 PM, immediately preceding the regular members meeting that night, we will hold the special meeting for the business line of credit proxy votes. Again, the purpose of that will be to tally the votes, both by proxy and in person, to determine whether or not the community is going to grant permission for the Board to enter into the construction loan with Capital One on behalf of the HOA to finance a portion of the sewer plant project upgrade. Everybody should have already received that mailing and it contained a letter explaining the situation and providing information regarding the costs of upcoming capital repairs so that each owner could make the best decision possible, a ballot sheet with instructions and an empty envelope labeled "Proxy" to be used to return your sealed and completed ballot to the clubhouse mail slot. The number on the proxy envelope will ensure that the Board can guarantee that only one vote is cast per owner or per home owned. After verifying that each owner has only voted by proxy or in person at that meeting, the votes would then be removed from the envelope, put into a separate pile, so that when their tallied they're not tied to a particular unit they're just a blind vote. Because this will now be the first special meeting, the quorum for this meeting is 60% of eligible voters, so in this case 159 votes would need to be received. If that measure is reached, then we then need the assent of 2/3 of the voting total to pass. For example, if we received 180 votes, that would constitute a quorum because it's greater than 159 and then 120 of those 180 would have to say "yes" to the loan to allow the Board to enter into the agreement. Anything less than 2/3 assent and the measure fails. If a quorum is reached, It's a binding vote whether that vote is "yes" or "no". We could fail to get the "yes" by one and if you don't get the 2/3 assent, it's enough. **Homeowner asked what happens if we don't get enough votes?** Basically, the same process would take place. When the September meeting was supposed to be the first meeting and that required 159, the second meeting was going to be in October and by our Declaration, any subsequent meeting that's called within 60 days of the previous meeting needs 1/2 of the preceding quorum. If there were to be a meeting the end of November, beginning of December, by the time we could get it printed and get new ballots out, you would only need 80 votes for a quorum and then 2/3 of that new total. Then again, the measure would either pass or be defeated based on 2/3 assent. **Homeowner asked what happens if we don't get 80 votes?** You could, within 60 days, do another meeting, quorum is 40. People that have been here long enough know that 160 votes is a reach in here. Hopefully, we get it, I hope we get it and then the measure is either passed or not passed definitively. Anybody who's been through enough elections in here knows that that's a lot of votes. While we're hopeful we get them, we'll have to see. I don't think we have a problem getting the 80 though because at least that many vote in the annual elections.

Board member commented we got approval for an extension for the loan for mid-October and now we are applying again for another extension and I'm not sure if it will be approved or till when.

Homeowner asked if the interest rate would go up. Board member replied the 4% rate was the same for the extension and that's why we're going for another extension and not reapply. **Homeowner asked what happens if we don't get the extension?** Board member replied if we don't get the extension, we start from scratch. **Homeowner asked if we usually get replies from people who rent?** Board replied homeowners who rent their houses out can reply, they are getting all of their ballots at their home address. Some of the owners who rent out are very good about replying. **Homeowner**

asked if we get the quorum, where do the payments come from? Is this part of the surplus or will we eventually cut our expenses or raise rates in order to pay off the loan? Board member replied we have room for it. As I explained before, we don't have to use the full amount we are approved for. We can use any amount of money we need and we can use our yearly budget and reserve. Over the past three years it's been around \$100,000/year, what we've taken vs what we pay out. Our net profit has been \$8,000-\$10,000 every month. Board commented we have been approved for \$995,000 but the plan is to use \$450,000 of that because we did put money aside for years for the sewer plant and we do have money designated to that. Right now, the sewer plant is going to cost about \$900,000, so our thought was to take half out of our existing reserves, and possibly financing the other half. It's an 18-month draw so we have up to 18 months to use whatever amount we use. As the money is drawn during that 18 months, we pay interest on the amount drawn, so if at some point we've taken \$30,000 out to pay for some portion of a contractor expense, we would be paying interest on that \$30,000, but then the following month we take another \$100,000 out, now we're paying interest on the \$130,000 and that will be interest only payments for the entirety of the 18 month draw. At the end of the 18 month draw, it converts to a 10 year loan at 4%, at which point monthly payments of principle plus interest would be paid. It's hard to say what the interest only payments would be because the draw will be here and there as we needed to pay for things but if you go with the full \$450,000, at that point, interest only payments would be \$1,500/month and then at the conversion to the term loan, it's about \$4,600/month which is principal and interest payable monthly for 120 months. Homeowner commented they would like to see the lighting project deferred until the sewer project is done and we know for sure how much it costs. I would vote to defer any other projects until the sewer plant is completed. I'm not thrilled about us paying \$100,000 in interest. Board replied we initially got the proposal for the sewer plant last year for \$750,000. Those proposals were given to us sight unseen. They were told what we needed and what we wanted, and they made a plan without looking at the actual site. We then got updated bids from the companies after coming out and surveying the site, which accounts for the price going up with materials and labor going up. This plan is tailored specifically to our site. There's also a contingency fee built into that \$900,000 that would allot for some of those unexpected things that might come up. So, we're pretty hopeful that the \$900,000 will be the bottom-line figure. There may be some cost saving measures that present themselves, we won't know that until we get in there, but that's the number we're working off of, that's the number we expect to pay at most. I understand your concern with additional projects but when we do the budget each year, none of that money is coming from reserves, that's coming from funds generated through our monthly assessments, so we're not touching reserves to do the \$98,000 worth of lighting that we're doing this year. our goal going forward would be to again budget such that the lighting project monies are coming from the monthly assessments not touching whatever is in reserves. Homeowner replied that's \$100,000 we wouldn't have to borrow. Board replied if we had to take the entire sewer amount from reserves, we would still have \$800,000 in reserves. Board member stated we have already signed a contract for a reserve study. It will include an on-site visit to our community so they can inspect everywhere to see exactly where we are, what is our priority so they can give us another idea and we will go from there. Homeowner asked that we don't know how much reserves are needed? When will this study be out? Will it be out before the discussion in October? Board member stated he is trying to push for that. Homeowner wants to know how much we need in reserves, how much is comfortable in reserves so I know what other projects are coming up and I know how much we are going to eventually spend. My thought processes if we have \$1.7 million and spend \$900,000, we still have \$800,000. Why take out a line of credit and have interest payments? If we have the money to do it and then eventually down the line we know we can get credit if something big comes up again we needed a line of credit for lights for \$100,000 that's not \$450,000 or \$900,000 and the interest payments have gone so much lower. Board commented the lighting project is not \$100,000. Board member replied he is working in both directions, either we get approval or not, that's why the study is being done regarding this. The main thing about the line of credit and the benefit is a business line of credit means when you got approved for \$1,000,000 with this interest rate according to this economy and according to the financial situation all over the world, that's a big plus for us. When we got that \$995,000 approved, even if we use only \$50,000, even we use only \$10,000, if we don't use anything we don't lose anything. It's just as a backup, the same as you personally have a credit card or a home equity for any emergency. That was the main thing which I've been working with Capital and since like one

year and a half now, to get 4%. When I did a couple of studies, couple of bids with different banks, we didn't get that at all. So that's why now, if we didn't get the approval for the extension and we applied for any amount, the interest rate it will be higher and of course you are all aware about the financial situation now, scared for the new pandemic coming up and that's why all banks start to be cautious. I used my little bit of experience over 20 years to analyze this very well and I did lots of studies regarding this and that's why I feel confident that the deal we have is an absolute great deal. I checked with Citizens, I checked with Wells Fargo, and I checked with PNC and Capital One was by far the best deal we have. We are not losing anything. If we got approval from the community then we can wait a little bit to see what our reserve recommends, and we'll go from there. If our reserve said you are fine with the \$800,000, we will not use it, we are not losing anything. With my little bit of experience to have a community like this built in 1974, I think we need more than \$800,000 in reserves in our bank account for any emergency. We see what's going on with the weather, we see what's going on with the snow, we see what's going on with that and all the contractors raising their prices, so we need to maintain 264 homes and community, with a pool, with basketball court, with the playground, we will need more than this. That's why I was trying to be on the safe side in advance and I was trying to see the future. As I said, I started this even before the pandemic started. I started negotiating with Capital One before the pandemic started. Working in a bank now I see where we might go, which is a little bit scary so that's why I want to be on the safe side, as responsible about this community. Board commented it was mentioned that why not use all of our own money for the sewer plant, keep going down the road and then if we need this line of credit later, apply for it then. If we chew up a big chunk of our cash, are we as prone to get a similar deal on a line of credit? Board member answered no, we would have to shop again with all the banks, and we don't know how much we're going to get approved for and what the interest rate will be. That's why I am hoping they can approve the extension. I just want to remind you all that when we first applied for this business line of credit, we got declined from all banks and the main reason was because of our financial situation and residents which were behind. They look at this amount and it was so scary. Four banks declined us from even going through many details. When we started to work together with the residents and put in payment plan and we started to reduce this amount, then they started to look at our papers and see that we need this, we need that, so we worked hard with them to get approved. As I said, one of the major elements was the residents. Now we are in good shape, that's why we easily got the approval for the extension. To be honest with you, from what I'm seeing now that we're going into another pandemic, and I started to see residents are not able to pay their monthly payment, I don't know what is going to happen. That's the first thing they want to see, the residents paying their monthly HOA fees. *Homeowner commented we need something where we can only get approved for \$50,000 if you put it to a community vote, We used to have that in place so big sums were not spent without everybody agreeing on it. We've had some really wayward people on the Board in the past who saw \$400,000 and said "let me at it." I don't want to have to pay for their BS.* Board commented that basically, there's a way that that won't happen because it's a construction loan, so the bank will not distribute funds or pay anything without their site inspector reviewing it, having an actual bill from the contractor which they're going to verify. They won't release money without the permits and the invoices, and the inspection done on the work being completed. It's not like somebody can just write a check. *Homeowner commented we've all seen contracts that were over-inflated. We have to be careful, we have to see it before it happens.* Board member stated with a construction loan, we cannot take \$1 unless we have a bill and we have an inspection, a third party from Capital One to see where this \$1 goes. *Homeowner stated that wasn't in place the last time this was going on. People were padding contracts and who knows where the extra money went.* Board commented that in this case, there are safeguards built in to protect the residents, the owners, the HOA and Capital One. Everybody gets protected, 1/264, and that's why this is not a decision we would have made unless there were those safeguards in place to make sure that one penny can't go towards something that is not verified and inspected by Capital One.

- a) I met with the project manager from Dutchland, who's doing the upgrade, to discuss a few potential changes to the upgrade plans for some logistical reasons as well as to implement some potential cost savings long term. One of those changes involves removing the comminutor from the system and replacing it with a filtration screen that uses suction to remove unwanted solid waste such as flushable wipes, hygiene products, and other non-biological solids that will get flushed from time to time. A comminutor is essentially a giant fan blade that's turned by a motor which chops up the solid waste but ultimately that solid waste, in smaller pieces, still passes through the wastewater treatment plant. So, the filter screen, in addition to having fewer moving parts and being easier to maintain, simply sucks the entire solid out via a pump and vacuum system and allows it to be removed and disposed of without ever entering into the wastewater treatment plant itself. The cost between a comminutor and this type of screen is virtually identical so there's no additional cost measure there and it will cause less wear and tear on the system itself because those things aren't entering the holding tanks and the equalization tank and whatnot. The other potential change, which is a slightly higher cost initially but is a cost saving measure going forward, is they're proposing to use UV light to disinfect the effluent as opposed to chlorine. Right now we have a chlorine storage tank, we have a chlorine delivery system and there's pumps and various other things that go into that and then there's other chemicals, soda ash, calcium, a few other things needed to maintain that, so while the UV system is a higher initial cost than the chlorine storage and delivery systems, it would be a long term savings because now you're not purchasing chemicals, you're not storing chemicals, you're not paying for the maintenance of the chlorine delivery system. Basically, every five years the UV lights need to be changed. They actually last for 10 years but DEP requires them to be changed every five. It's a higher initial cost, but over the course of a 40-year lifespan of the sewer plant, it's a cost savings measure. Those haven't been agreed to yet, those are just proposals that they're going to bring forward to us.
- b) Walt Fazer, who is the representative from Bradford engineering who we've been working with is in contact with Dutchland, as am I, regarding these changes and once we get updated pricing on those, if we decide to go with one both, that may slightly delay the approval from the Borough on the site plan because it will require an addendum to the site plan be submitted. Luckily, we're not too deep into their 60-day review so it shouldn't put too much of a wrench in the timetable right now. We want to make sure we get the pricing, get the information, talk about it as a Board, make the best decision possible going forward and then if we decide not to make any changes, they already have the site plan. If we do make those changes, slight delay on the timetable. Once the Borough provides final approval, which hopefully won't take the full 60 days that they are allowed, it then has to go to Pennsylvania Department of Environmental Protection, and DEP has to review it and give their approval. Unfortunately, they can take up to 120 days to issue that approval. Once we get final approval from both parties, we can go ahead and apply for the appropriate permits to demolish some of the old structure and construction of the new. Once they actually start construction, it will take approximately three months to be completed, start to finish. Our goal is still to have a fully operational new plant by the end of February. However if there are any delays in approval or permitting, that may change the date a little bit.
- c) Just to put out a reminder from something we said at July's meeting, in the last year at the sewer plant we've replaced the comminutor, filtration screens, a dissolved oxygen probe, the chlorine feed pump, and a skimmer line at a total cost of about \$20,000, and then the morning of the July meeting, the blower motors had failed and replacing those was an additional \$10,000. The plant is not in any danger of catastrophically failing but it is costing us a lot of money right now.

Everybody here knows it's well past its life cycle and needs to be replaced soon, but we are looking at early 2022 for replacement.

Homeowner stated one question is the smell and the other is the sound of the motors running now, is any of that going to change after this is completed? Board replied our hope is that yes, because right now they're in-ground tanks and they're completely exposed to the elements, there's nothing covering the tanks, so you do get a lot of the smell, particularly when they're pumping out the sludge, that creates a big smell. The new plant is going to have a covered tank so that will eliminate a lot of the of the smell. Additionally, nothing will get into the system like leaves and twigs, so maintenance should be easier, they won't need to get stuff out of the system and with it being covered, it's going to mute a lot of the sound of the blower motors. So, both of those issues should hopefully be helped by the new plant. *Homeowner asked about the suction vs the first piece, was that taking into consideration the operational cost because you mentioned the operational cost on the UV light would be less than the chlorine.* Board replied it would save on the operational cost because the stuff that gets chopped up by the comminutor that makes its way into the holding tanks, a lot of times has to be scooped out or filtered out by hand and that will prevent that from happening because when it comes up into the system it basically gets dumped in the receptacles that just get thrown out. Board member stated the motors down there are 1970's technology. Natural progression, technology should be a little better and more reliable. The other thing with the chlorine, there's a liability with the chlorine storage tank. If the tank should ever rupture and goes into the West Branch of the Chester Creek, we got a big EPA issue on our hands. Whereas, with UV lights no cause for chlorine to go anywhere. *Homeowner asked if sludge will still need to be pumped out.* Board replied yes, there's a very particular process where they have to dispose of that, and our plant is not equipped to do that so the sludge will still have to get pumped out.

- Sewer Pipe Repairs

- a) The final phase of the repairs which is nearly complete is the grouting and in-piper repairs to fix some of those minor offsets that have been discussed. There's only a few of those left so after those repairs are done we'll be in good shape because the entirety of the system was CCTV'd and all problems were identified, be they offsets, cracks in the pipes, root balls, infiltrations, will have all been repaired. It costs about \$100,000 to do that but at least the infrastructure is in good shape.
- b) KBX has also been completing their monthly maintenance. They did the jetting and clean-out for August and with the repairs completed and the root cutting finished and near completion of the in-pipe repairs, along with our routine monthly maintenance, we should be able to stay ahead of any potential issues proactively rather than reacting to it after the fact. All the issues that the CCTV identified have been repaired. The underground infrastructure is probably in the best shape it's been in, in the last two decades. Hopefully, unless something catastrophic happens, we're not looking at any infrastructure pipe issues. They do 1/12 of the community every month so that on a year-to-year basis, the entire community is jetted and flushed once a year. That will continue next year in January, the whole process will start over.

Homeowner asked if there has been a reduction in plumbing backups into the houses? Board replied we have. Since we started doing this monthly maintenance and the thing with CCTV, I'm not aware of any complaints that we've received about sewage backups. Board member added that the cause of most of these sewer backups tend to be the flushable wipes.

Vice President's Report

○ Lighting Update

I spoke with the lighting contractor, Justin Stouch, regarding permits. Justin confirmed they're still in the permit gathering phase but as of this meeting, the start date for Phase One still pends. I did confirm with him again, that he doesn't foresee any issues with Phase One being completed this year prior to the weather turning bad, with the ground being frozen. Over the past month, it seems like the phone calls made to the electrician Phil, continued to go up more and more regarding street lights that are no longer operable. I keep a document on the desktop of my computer so, just over the past month, #172, #184, #160, #143, the entire row of #124 - #135, #228, #230, #79, and we received an email earlier this morning saying the entire court #150 - #170, no lights in that entire court were working. These are the result either of severed wires, bad photocells at the generator that control those lights, or bad bulbs. I spoke with Phil this morning and he did confirm that all the lighting fixtures throughout the community, all the incandescent bulbs have been replaced with LED bulbs several years ago. Basically, we have reached the optimum savings for now until we're able to replace the entire infrastructure with new energy LED efficient panels. Basically, we need to stop putting band aids on bullet holes.

○ Update re: PECO Rebates for Lighting

Justin and I had a Zoom meeting on 8th of September with two community utility consultants, Jim McGill and Brian Munley from PECO, regarding their rebate program for Phase One of the upcoming lighting project. We explained to them that this entire project wouldn't be completed until late 2024 or early 2025 since it needed to be completed in several phases due to budgetary reasons. They had good news and they said this particular incentive program that they were discussing with us started with PECO on 6/1 of 2021 and will continue to 6/1 through 2026, five years. So, the incentive program won't be an issue if we qualify. These two gentlemen are going to follow up with Justin Stouch Lighting steps regarding the lighting equipment to qualify us for those rebates. They further explained for rebates for the new lighting needed to be 1) either energy efficient which is a screw in bulb but which wouldn't apply to us, or 2) the DLC listed which stands for "Design Light Consortium." Received an email from PECO earlier this morning confirming they received and are reviewing our pre-approval application for the rebate incentive. The email went on to say they will continue to follow up with us with any additional questions if they arise.

Homeowner asked, what is Phase One? Board replied Phase One is the front entrance, houses #259 – 264 and the entire first court, numbers 1 – 34, including the clubhouse.

Homeowner commented that #43 has the purple lights. Board replied that means it's burning out.

Homeowner asked what it costs us to pay Phil every time he needs to fix bulbs and wiring. We will be able to see from the invoices from the bookkeeper, but I don't have exactly what he's charging.

Homeowner asked what the rebate is from PECO. Board replied they gave us a roundabout figure. For the 80 lights, assuming we qualify, under the old plan they had in place, it would have been about \$9,600 in rebates. I don't think that went down, it's almost \$10,000 for the 80 lights. I guess one other thing to add, during the Zoom meeting that Aldo and I had, I offhandedly mentioned that we were upgrading the sewer plant as well and as it turns out certain motors and certain other apparatus that are used in a sewer treatment plant also qualify for this rebate. So, once I have the final spec sheets, we may end up getting some rebates on the sewer plant as well.

Treasurer's Report

I already talked about the Business Line of Credit and the final situation. Our extension will be only till mid-October. I called Capital One to see if we can start working on the second extension. Our business manager is not sure, he hasn't seen two extensions before. We will do our best, when I have an update, I will let all of you know.

We already signed with a company called Smart Property for the reserve study, they have reviewed all of our finances and they will also be on-site. I'm doing my best to push them to do it ASAP. This is the busiest time, and all communities are the same. We have paid extra to expedite this.

As you already know, the Board has made a decision not to post any late fees starting in September till the end of December. One reason is because I have received lots of requests regarding the late fees and many people unfortunately, lost their jobs again, so we felt that was the right decision to help our community a little bit. If you can pay your HOA fees on time, that would really help us but if you can't, reach out to me, we can work together. I received a couple of emails that some residents already had late fees posted when they received their statement, but we fixed this and sent an updated statement. If you received a statement and you see a late fee posted, please reach out to me and I will make sure it is corrected in the system. vbhtreasurer@gmail.com

- Financial Update
 - a) Total income for August 2021- \$60,478.58
 - b) Total expenses for August 2021- \$99,842.42 – we paid 50% to Stouch Lighting for \$49,476.98
 - c) Net income for August 2021- (negative \$39,363.84)
 - d) Total aging as of September 13, 2021- \$9,994.59
 - e) Total cash for August 31, 2021- \$1,628,333.80

I am not pushing to approve the Business Line of Credit. In the meantime, it doesn't mean if we do not say yes, that we will definitely raise the monthly fees. All I can promise is that I will continue my transparency with all of you, especially the community, to tell you what our financial actually is. That's why we're going to use the third party for the reserve study which is going to help tell us exactly where we are and where we need to go. I have explained why it is to our benefit from my financial experience, but the community has the right to say "yes" or "no". If they say "yes", we will see what the best amount is to use, if they say "no" we will see what the alternative is. That doesn't mean 100% we will increase the fees, but I'm going to show you everything, tell you everything, explain all the numbers. \$205 with all the contractors, increasing expenses, fees, that might be a red line to see where we are.

Homeowner stated it was their understanding that the last fee increase was for the sewer project. So, once that's taken care of, aside from the cost of things going up, what would be the reason to raise fees? Board responded if we pay cash for the sewer which is \$900,000, that would leave us with \$800,000 and we don't know if that is good enough or not. That's why the reserve study is good. It's not just the report we provide, they will come and inspect what's going on. I sent all the financial statements for the last six years, but we need a second set of eyes which is the reserve study.

Homeowner stated if for whatever reason there had to be a fee increase, more of it could be put to use for the community, like snow removal for the sidewalks in front of the houses. Board responded with all the money we have now, the \$1,600,000, if we do all the projects we're supposed to do to renew our community, that is not enough. Lighting, security, the roads are starting to crack, the basketball court, trees, etc. Board member commented the last fee increase was 2010. You touched on the problem, the income has been the same for 11 years. Do your bills stay the same? That's the heart of the problem. The second part of your comment was about community improvements, that's the lighting, security, and it keeps adding up.

Homeowner asked what the delinquency rate is. Board replied the total is \$9,994, it's about 10% that didn't pay in September. It's a lot better than it was. It's under \$10,000 for the first time in a long time. It's the first thing the bank looked at for the loan, what's your delinquency rate? If it was what it was a few years ago, they would have walked out right there.

Homeowner asked if you were going to speak to someone who was on the fence about the loan, what would you say to them if the loan did not happen, if we do not approve a line of credit? And if we proceed with the sewer and lighting project, what would you say is the potential risk to the community? What situation could you foresee in the future that we should have taken that line of credit? Board replied, you will see the amount of money after the reserve study, it's going to be very, very low. Board member stated a big piece of the puzzle which hopefully is coming in the next few weeks is, what Smart Property tells us we safely need. Board member commented that the fee increase was for the sewer 11 years ago. The sewer plant was 35 years old, now it's 45 years old. We had a couple of pretty impressive snow years, \$90,000 one year for snow removal. Snow removal budget was way over budget. If we get a quorum and the quorum says "no", that's the end of discussion. If the quorum is achieved and it's a "yes" vote, which just says, we, the community, authorize the HOA to enter into this agreement. It doesn't mean we have to enter into the agreement. If you haven't voted yet, you can wait until the October meeting and vote then.

Secretary's Report

- Bees

I hope anyone who sees bees at the playground or anywhere, hives, or if they're hovering around, just email me at vbhinfo@gmail.com, let me know. I had Tri-County out here this past week and he spent a lot of time out here at the playground. He couldn't find a hive or a nest but there were bees all over the fencing at the playground. He sprayed and then he said he walked away for awhile, and he came back, and the bees were back, they're very tenacious bees, and he kept trying to find out where they were coming from, and he couldn't find them. He thinks the nests are in the ground, so he looked everywhere, he couldn't find any entry points. If anyone comes across any holes that you think are nests, let me know immediately and he'll come back out.

Homeowner commented that bees were all over the grass but didn't see any hives.

Homeowner commented there are those cicada-killing wasps. Board commented we're not talking about those, we're talking about the stinging ones, the ones going after the children at the playground. We've had some of the wasp and hornet hives he's removed, but these are something else. He said they take pieces of the fence and make paper out of it. Please, no matter how many times you need to email me, just let me know and I'll call them, they're right next door and they can come right over. They are really responsive to our calls.

- Bulk Trash

I've been trying to get Laxton to lock into a date. It's going to be sometime in October, I just don't know which Friday it's going to be. It will be on a Friday, they said they will call me, they don't like to confirm too far in advance in case something else comes up, something big, I guess, that they need to do, so they will call me back and if they don't call me soon, I will call them again. It will definitely be in October. I just have to lock in which Friday that would be. Same list of exclusions and I will post those again. I may still have a list posted on the bulletin board outside of the clubhouse.

- New Forms

First thing on the agenda is new forms.

- a) A couple months ago, a resident wanted to do a garden off of their actual property. They asked where their property was, so it's 110 feet from the inside of the front sidewalk, through the house, and 20ft or 40 feet wide, depending on if it's an end unit. The resident wanted to do a stone garden on common ground, so we got with the Board and discussed it and said that would be great because it brings back community pride. We can't give away common ground, we don't have the authority. So, what we're going to come up with is a form, and it hasn't been finalized yet, we're hoping to finalize it at Exec meeting in two weeks, that allow people to give us a plan on what their garden would be and it would allow it to go on the community ground because a lot of people have houses where they have a lot of backyard space which goes unused and we've got a lot of people here with green thumbs. General idea of the form is, if it's approved, it's gotta be well maintained, can't let it go to trash with a bunch of weeds and things like that like that. If you sell the house, it has to be removed because there is no saying the person buying the house wants to take care of it. That's the general concept, we're going to nail it down 100%. so That's something that we're trying to do because it used to be the way it was in the past so we will formalize it.
- b) The other form is the grandfather variance form. Me being a newer resident, apparently in the past, things were allowed to happen that weren't by the rules, but there's some things that have happened, like I've seen decks that are extended an extra 2 feet that are already installed. There's no way of knowing whether it was allowed. It's a form that we can document, yes, this is allowed whether it's only allowed until you sell your property or whether it's allowed going forward. It's just a way of getting everything square, level, proper, and it goes in your file so that way when you go to sell your property, and you misplaced the permission, we deliver file and say, Oh yeah you did have that, you do not have to fix that before you sell your house.

- Approved Architectural Applications

- a) #88- siding, wood deck replaced
- b) #248- concrete patio
- c) #184- front steps, we approved 5 ft wide centered
- d) #80 – storm door
- e) #149 – changing front door color to one of the new color options
- f) #159 – removing deck, installing steps

- Grassy Knoll Fill Project

A lot of people are asking what's going on with that hill. There was a tree that was there, was cut down, I assume it was one of the dying ones, and since then a big hole/ditch happened which became a mosquito breeding ground. So, we had a contractor look at it, it took four truckloads of dirt to fill it in but now it won't gather water. It's supposed to be graded so the water will run off and that will prevent the mosquito breeding ground, and we'll be able to use that space again. There is still not enough grass growing there and the root system needs to take hold before it starts to get trampled on,

- Basketball Court

As mentioned earlier, we had the cracks done on the basketball court. It's a lot better than it was, a lot safer and looks better. We know, as a Board, that it needs a lot more work. It basically needs a rebuild. Joseph has already explained our financial situation. When we have funds available, we will look at redoing the surface, including the base. When you walk around the edges, you'll see a lot of spots where it's eroded. Hopefully, as part of the same project, fence it in. Those of you who have been here awhile, it will not be another green monstrosity, we're going to try to keep it black, and low-key, similar to the pool fence but higher. We'll have a locked gate with the same card system we use for the pool. That's the long-term goal when the funds are available. In the meantime, it's better than it was. Getting the cracks filled before wintertime gets here is a big help, it doesn't get shoveled or plowed and the snow and ice won't get in the cracks.

- Blacktop Work

I'm going to get bids. I got a couple of different names of contractors to go through the community and do similar work with the with the cracks through the community. Again, those must have been here awhile. We're not going to reseal the entire community again, that was pricey and we're not there yet. However, we do have some spots with some cracks, which again, with the snow and ice getting in there and freezing and thawing, that's how potholes start. We'll have a couple of different guys come in, work out pricing. If you happen to see orange markings, around cracks, that's what that's all about.

- Pool/Clubhouse

- a) The pool is now closed for the season. I'm actually waiting for return email the pool guy about when he's going to come out and close pull up, put stuff away, take the awning down, etc. That should be happening in the near future. As a Board, we already discussed looking at some other options for pool management for next year. It hasn't been a perfect season from both sides so we're going to look into some other options. We've had other companies we've used in the past, some were ok, some weren't, we're going to talk to some other people.
- b) I talked to Dave yesterday, this weekend he's going to come and clean the gutters, all four sides, he's going to install gutter guards and get that taken care of. My goal was to get it done before the leaves start falling. Unsolicited opinion, if you don't have gutter guard on your house now, they are a very good investment.
- c) The other project is the bathrooms downstairs need some attention. We're going to have our plumber come in, and we need a price from him, I'd like to have him come in and go through every fixture downstairs, toilets, showers, faucets, every single one and repair the ones that aren't working. There are issues of getting hot water. Last year it wasn't an issue because we didn't use the showers because of Covid. We're going to work on that. We have the winter but the other part of that is, we are renting the clubhouse out again, that's their bathroom, too.

- Trees

- a) We've cut down a few more trees. We ran into the same situation as last year, the dumps where they take their big pieces, were full. They're starting to open back up, he's back in and doing some stuff. I've talked in the past that the boss, Keith, had some family medical issues. She's better and home. If you have an issue, email me at vbfacilities@gmail.com. There are a number of trees that will require heavy equipment in the backs of homes. He can't do that on wet ground, he needs dry ground to get his stuff back there.
- b) Regardless of what you may read on certain Facebook groups, we're not cutting down healthy trees. Our tree guy does not come in and tell us to take down trees. He comes in when we

specifically call him when one of us notices something, we get a complaint from the community, and we take a look. We could have cut a lot more trees down last year because of this ash bore. We actually saved a number of trees last year by wrapping them with an injectable. Unfortunately, it didn't work for one or two of them and they are now dead. Again, he does not come in here and tell us to cut down trees.

- c) We wanted to replant some trees last year, we didn't get to it because of multiple things, and now that we have a little better idea of where the sewer plant is, and once the vote goes down and we have a better idea of what our finances are, we'll look at replanting some trees to fill in some bare spots. We have a plan, we've publicized the plan. Those of you who are here every month, those of you who read the minutes, know what the plan is.

Board member added that a good way to identify one of these ash borers is that it feeds under the bark and girdles the tree so no water can get through the tree from the root system. It gets to a certain point and stops. Those trees are typically dying from the top down. Once it's girdled, it's dead.

Board member stated we approved PECO to remove sixteen dead trees that were near power lines along Bodley Road to prevent us from losing power. We got PECO to do it and pay for it.

Board member stated that's a PECO project that's been going on for years. We don't lose power in Valleybrook because of trees going down in Valleybrook because we don't have overhead wires.

Board member commented the other good thing about Bodley is that not only is it not a potential feeder for us, lines that go into the sewer plant are three-phase. If a three-phase goes out, it's a major repair. There is a backup generator, and a new generator is coming with the new sewer plant.

Homeowner commented that the last pool day was a windy day and an umbrella flew up and hit the kids. A child was literally swept into the pool by the umbrella because there was a faulty screw. Board member replied, a parent of one of the kids contacted me. Homeowner commented she is a parent of one of the children and got the email that blamed the pool company and doesn't understand how it's the pool company. Board member asked, who puts the umbrellas in and out of the tables? Homeowner commented if it's broken, it's on the community, wants the Board to care. Board expressed not saying we didn't care, asked if they knew it was broken? Homeowner asked when the last time was that the chairs and umbrellas were replaced? Board replied, the lounge chairs and regular chairs about five or six years ago. There are two different umbrellas, half of them were replaced around the same time as the chairs. The other half, two years ago. We buy the furniture. Homeowner stated was not aware it was broken, but saw a screw on the ground. It's a liability if they are broken. Is there a way to get rid of the old ones and get new ones? A child was scraped on the neck, another child was swept into the pool and I was able to save her because she does not swim. Homeowner stated the first-aid kit had literally nothing in it. A lifeguard took a rubber glove and she made an ice pack. Lifeguards should be checking the first-aid kit. The lifeguard said there was more than one defective umbrella holder. Board replied, the fact that they knew there was more than one and didn't bring it up. Homeowner asked who is responsible for checking things and checking them for checking things? They need to be replaced before next year. Board replied we can make sure whatever pool management we have, we can make sure the umbrellas are secure. Board commented it's an easy enough thing to make sure the fixtures are functional and that they are securing the umbrellas the way they are supposed to. Board member suggested maybe getting away from metal fixtures that can rust. Board member expressed understanding of homeowners' feelings and would feel the same.

Homeowner asked if there is still water in the pool. Board replied "yes", there s water in the pool all winter. Homeowner commented they did have a dog day thing and it was really nice for the people who have dogs, to swim. It

might lift some spirits. Board replied concern with fur. Homeowner stated they did it a couple of years ago, did they not? Board does not recall it being done, it's something we can discuss.

Homeowner asked if thought was given to going through the woods and looking for saplings to plant in the community. Board replied we can discuss it with Keith. Board member stated discussions with Keith several times and Board members several times that the trees in Valleybrook, for the most part, are reaching their lifespan. Homeowner suggested to look at the extension service of PA.

Director of Operations Report (read by Justin Buccilli in Jim's absence)

- Parking Update
 - a) A reminder that at our meeting in August, we added an addition to rule 2.22 because the state of Pennsylvania no longer issues registration stickers that go on the back of the license plate, so to ensure that all vehicles registered in Valleybrook are in compliance with Pennsylvania State safety standards, all vehicles must now display a current state inspection sticker in the front windshield. Any vehicle that does not currently have a valid inspection, will be given 30 days to become compliant. Failure to do so will result in fines and/or towing of the vehicle. There also have been an increasing number of vehicles in Valleybrook that just sit and do not move. Personal inspections will be done to see whether or not the vehicle has a current inspection sticker. Notices will be sent to homeowners who are not compliant with that and will be given 30 days to become compliant.
 - b) No trailers are to be parked overnight in Valleybrook. They could be used for loading and unloading or for work purposes but cannot be parked overnight.
 - c) Reminder, if you have any changes to your vehicles, such as new car get rid of a car or any other changes, please email Jim at vbhoperations@gmail.com to let him know, he can issue a new parking sticker, change the database, just saves a lot of trouble going forward for everybody involved.
 - d) If you have visitors, please remember to ask them to park on the center islands, not in front of the homes. If you're going to have visitors for longer than a day or two, send Jim an email so that we can get it on our list that we know.
 - e) With homes in transition, we've had a lot of moving in and moving out lately and you're using a trailer, please let Jim know before the trailer arrives.
 - f) Reminder that there are no assigned parking spaces within Valleybrook except for designated handicapped spaces. Please do the courteous thing and work out parking arrangements around you. Be mindful of how much space you leave around your vehicles.
 - g) Please refer to rules 2.17 – 2.24 for parking regulations.
 - h) If you have a company vehicle with commercial lettering, we need a letter from your company stating that the vehicles is for your sole use as your employment. Attach that to a note and drop it in the mail slot for Jim and he will make a note of it.

Board commented if we get a complaint from a resident, we have to check on it. It's complaint driven. If you're having contractors, try to touch base with your neighbors, be considerate of your neighbors.

5. Community Discussion:

Meeting adjourned 8:20 PM