

Stonycreek Valley Development Corporation

Board of Directors Meeting

Date: April 15, 2021 St. Mark & Zoom

Directors in attendance: In person: Joe Piccini, Brad Meneilly, Marcia Rogish, Jack Hershberger, Jeff Blough, Derrick St. Clair, Mike Jenkins VIA Zoom: Bill Blackburn, Julie Fisher, Shelley Glessner

Directors absent: none

The meeting was called to order by J. Piccini at 6:02pm

Additions to the agenda were called for: none

Joe asked for a roll call of Board members attending in person and via zoom. A thank you card from the family of Ben Scheller was shared.

The Agenda was reviewed by Board members; no additions were added.

The minutes from the March, 18th Board meeting were reviewed. M. Jenkins made a motion to approve the minutes; seconded by M. Rogish; all were in favor; minutes approved.

S. Glessner presented the financial report. Joe mentioned a repair that was done to the weed cutter and asked Bill to remind Sean Daniels to get prior approval from the Board before any major work is completed. Bill, Joe, and Shelley plan to meet with Sean to work on the budget and set up a dollar amount of what needs prior approval. B. Meneilly made a motion to approve the financial report; seconded by M. Rogish; all were in favor; report approved.

Shelley stated that the 2 CDs at Somerset Trust were coming due. She sent the Board rates from several different banks to review. The Board discussed the different rates. J. Fisher made a motion to move the 2 CDs coming due at Somerset Trust into the SVDC money market account at First Peoples Bank in Somerset at a rate of .747%. That would bring the account balance to around \$208,000. The motion was seconded by M. Jenkins; all were in favor; motion passed.

The Board talked about the work that was done on the dam by Marion Hill. Board members; M. Jenkins, B. Meneilly, and D. St.Clair were on site all or part of the day while the work was being done, also on site was Dave Zwick from Musser Engineering . Joe stated that he could not be present but was in constant communication with those onsite throughout the day. Joe asked Dave Zwick (via zoom) to give an update on the work and problems found by Marion Hill during their work on the dam. J. Hershberger questioned Mr. Zwick about possible causes of the corrosion. Dave's report to the Board and the work report from Marion Hill will be attached to these minutes.

Marion Hill is working on pricing for the additional repairs. Pictures of the repair work will be included with the minutes and also posted on the website. B. Meneilly mentioned that there is no need to rush in getting quotes for some of the repairs as the next draw down won't be until fall of 2022.

Joe went over the old business list; updated list is included with these minutes.

Changes to the Rules and Regulation were discussed. Joe suggested following our current rule on top speed for jet skis (50mph). B. Blackburn suggested that those lot owners having trouble finding top speed specs can contact him to set up a test drive to check the top speed. Joe stated that all changes to the current rules and regulations will be tabled until the new Board is seated in May.

J. Hershberger made a motion to donate \$500 to St. Mark Church for the use of their hall for the monthly board meetings/special meetings; seconded by M. Rogish; all were in favor; motion passed. J. Blough suggested asking for their Wi-Fi password.

D. St.Clair stated that he has received permission to use his neighbor's dock to park the Patrol Boat in exchange for fixing the dock and taking care of the lot yard work. He asked for volunteers to help with the initial clean-up of the lot. He is also getting bids on continued mowing of the lot. He will check to see if it is also possible to keep the cutters there.

Joe discussed the SVDC's insurance policies. He suggested that we should consider going with one broker for all our policies. The Board discussed the suggestion. J. Hershberger made a motion to have Brett Insurance price out coverage rates on all policies that they don't already cover for the SVDC; seconded by M. Jenkins; all were in favor; motion passed.

The Board discussed water testing. B. Meneilly stated that Val and Brandon Stone reached out to him about testing this spring before any weed spraying is done. The Board agreed that testing should be done before any spraying. The cost of the testing was discussed. M. Jenkins volunteered to cover the cost of the testing by donating \$275.

J. Hershberger talked about the Boone Creek Deep Mine. He stated that he, Joe, Marcia and Larry Rosage attended a zoom meeting with DEP and LTC Energy. The mine proposal is for 750 underground acres and 160 above ground acres. The underground mining will be west of rt160 north of our lake. The 160 above ground acres are at the current location of the Boone Creek strip mine. This permitted portion of the project will take approximately 8 years to mine. He stated that the DEP review was to ensure all environmental issues were addressed and proper procedures were followed by the mining company. This includes provisions to address residential well problems. Damages to municipal well service in Indian Lake Borough was a concern of the DEP and will be taken into consideration prior to award of a permit. The DEP

stated all run off and mine water would be treated prior to discharge into Boone Creek and subsequently our lake. He said the DEP went into great detail about how they plan to mine; using what is called pillar mining and the treatment of the water with sediment ponds and chemicals. The mine discharge water will be tested monthly with reports sent to the DEP quarterly. They said that they will be checking wells within 1000 feet of the mining operation. Jack stated that he believes some lot owners' wells may fall within the 1000 feet. LTC will provide a temporary water source to property owners if needed. The permit review process will take approximately 6-9 months. Our solicitor recommends SVDC lot owners start a petition opposing the LTC Mine permit application which is under review by the DEP at this time.

A lengthy discussion was held on how to precede with the roughly 20 bylaw amendment proposals that were received. Joe stated that the SVDC solicitor recommends waiting until after the election and the new Board is seated to vote on any changes to the bylaws. He suggested that more time is needed to properly review/discuss each proposal. The letter from Attorney Leventry in regards to this issue is included with these minutes. Joe stated that he recommends following the advice of our solicitor. He suggested that after the election of the SVDC officers, the Board forms a Bylaw committee like was done in the past. The committee would include lot owners who sent in a bylaw amendment proposal, members of the Board, and the SVDC solicitor. He suggested the committee holds workshops for lot owner and solicitor review and discussion of the proposed amendments. Joe recommended review of the bylaws be done every 3 years as yearly changes do not allow for any consistency in operations. M. Jenkins stated that he too agrees with following our solicitor's advice and waiting to give more time for lot owner and solicitor input. M. Rogish and B. Blackburn were concerned with following our current bylaws in regards to bylaw amendments. Bill suggested voting on the proposed amendments as received but not having them implemented until review/approval of our solicitor. J. Blough suggested not voting on the amendments but sending out a survey to lot owners to see which amendments were supported. B. Meneilly made a motion to act on Attorney Leventry's advice in regards to the bylaw revisions as per his letter dated April 9th, 2021; seconded by D. St.Clair; those in favor were M. Jenkins, J. Fisher, S. Glessner, D. St.Clair, B. Meneilly; those opposed were M. Rogish, J. Hershberger, B. Blackburn; J. Blough abstained; motion passed.

The Board discussed the May Annual Lot Owner's Meeting. Joe will work on topics to be discussed and which Board member will be speaking on those topics. He will work on a power point packet for the meeting. The meeting reminder letter to lot owners will include an absentee ballot for voting on Board nominees. Lynette will get and number the return envelopes. She asked that lot owners only use the return envelope for ballots. Marcia and Joe are working on getting the Judges of Election.

A building plan approval request (dock) from D. Gontis was reviewed; M. Jenkins made a motion to approve the plans; seconded by D. St.Clair; all were in favor; plans approved.

A building plan approval request (dock) from E. Burns was reviewed; M. Jenkins made a motion to approve the plans; seconded by J. Fisher; all were in favor; plans approved.

A building plan approval request (dock) from J. Artz was reviewed; M. Jenkins made a motion to approve the plans; seconded by J. Blough; all were in favor; plans approved.

A rain run off problem at the SVDC pole building was discussed. Jack stated that the new lot owner behind the SVDC lot has already installed a drain pipe on their property to handle run off but during heavy rain the run off from the building's down spout is still causing flooding issues. The lot owner's brother, J. Gorsic has volunteered his work to put lines on the down spouting and run pipe to the ditch. He asked that the SVDC pay for the pipe. Joe suggested asking for a sketch (scope of work) and insurance license agreement from Mr. Gorsic. Jack will speak with Mr. Gorsic.

A D & O insurance question from Phyllis Picoulas was discussed. Joe stated that he and Brad have spoken to both the insurance company and the SVDC solicitor about her question. Joe stated that under the advisement of the SVDC solicitor and the insurance company the question could not be answered. Phyllis via zoom asked why her question could not be answered. Joe stated that according to our attorney, it's not the proper forum to talk about and he preferred the Board doesn't go into detail on the subject.

Joe voiced his frustration in hearing that some lot owners have said that the current Board has done nothing this past year. He read a list of Board accomplishments and talked about the many hours everyone has put in over the last year, reminding everyone that this is a non-paying job. He said he is speaking on his own behalf and not that of the Board. The list of accomplishments will go out in the Annual Lot Owner Meeting Letter.

The Board discussed executive sessions. Joe voiced his disappointment with things being discussed in executive session getting out into the community. He said the Board can't talk in public about the lawsuit and that he doesn't know how to solve the problem. He encouraged Board members to show some professionalism. M. Jenkins stated that D. St.Clair is not the one who told him what was said and that it was another Board member not physically present. J. Blough voiced his disappointment with the morality and professionalism of whoever it was and said that the action is unacceptable.

B. Meneilly made a motion to adjourn; seconded by J. Hershberger; all were in favor; meeting adjourned at 8:28pm.

Respectfully submitted; Lynette Fleegle

Next Meeting is May 20, 2021

Shortly after the discharge pipe and valves were replaced it was discovered that the underwater sluice gate valve would drop and close over a period of time. At that time it was believed that there was an internal leak at the bypass line valve on the actuating cylinder or the cylinder itself with the bypass valve being the most likely cause. Subsequent inspections of the cylinder and hydraulic lines while it was under water had found corrosion on the hydraulic shut off valves located on the hydraulic lines at the actuating cylinder. On Friday April 4th divers from Marion Hill removed the actuating hydraulic cylinder from the underwater valve at the intake of the dewatering pipe and brought it to the surface for inspection and repairs. At that time we were anticipating that the hydraulic bypass valve would be replaced and then the cylinder reinstalled and the function of the cylinder and sluice gate valve could be evaluated.

When the cylinder was brought to the surface it was inspected by personnel from Marion Hill Divers and myself. Our inspection revealed additional corrosion of some of the bolts used to attach the shroud over the hydraulic hoses and blister types of bubbles on the hydraulic hoses within 6-8 feet of the actuating cylinder. We believe the blisters indicated that the steel braiding within the hydraulic hoses had corroded and failed also and that the hydraulic lines were likely to burst if pressurized. The corrosion on the hydraulic valves and the bolts matched the type of corrosion I've seen on metal parts that have been put in an electrolysis tank. This leads me to believe that the submerged parts are experiencing a galvanic reaction or possibly some stray voltage which is causing some of the parts to be corroded at the expense of others that did not show any corrosion. When I checked the corroded vs non-corroded parts with a magnet the corroded parts had a weak to moderate magnetic response while the non-corroded parts showed none or a very weak magnetic response. I believe some of the parts were probably a different grade of stainless steel that do not have as good corrosion resistance. (There are many grades of stainless steel and their corrosion resistance and magnetic properties vary. Generally the grades with good corrosion resistance have little to no magnetic response)

Since corrosion was found in several components I recommend that the actuating cylinder be taken to a hydraulic repair shop and be disassembled and inspected for any corrosion and/or leakage and repaired if needed. Since most local hydraulic shops don't work with underwater

installations I recommend that Marion Hill Divers be put in charge of taking the actuating cylinder to a shop that has expertise in that field and also be charged with getting new hoses made to replace the existing hoses.

Dave

Old Business Items

- RE Taxes i.e. possibility of removing off of tax rolls – Joe with Tim L - To address January '21 Attorney Leventry was advised to proceed with this process (January '21). Attorney Leventry is investigating and working on this matter. We have until August to file the paperwork.
- Boat launch property lines/right of ways – Derrick reached out to Attorney Leake for work he had done and will forward off to attorney Leventry to finalize/obtain the last signature for the quit claim deed. Derrick to have information by January's meeting. Derrick obtained from Attorney Leake and will forward to Attorney Leventry. Attorney Leventry has prepared the Quit Claim Deed and provided to Derrick who in turn sent it off to the owner for signature. Derrick is to provide the contact information to Attorney Leventry for his follow-up on this matter. Information provided to Attorney Leventry who is following up.
- Lake drawdown '22/'23 – any silt removal/stump removals – Sunset Cove? - Mike/Bill/Derrick Musser Eng. to assist with this project. Bill, Jack, Mike, Brad, Derrick, Joe will be involved in the process – see Jan. Board minutes. Call with all above and Randy Musser. Randy to pull the areas discussed together along with cost to prepare an RFP. 4 areas of concern will be looked at in early spring, hopefully April, they include Boone Run, Stable Lane, Pinch Road and Sunset Road. A RFP will then be prepared for bid purposes. Boat tour needs to be set up.
- Code of Ethics – Mike/Brad
- Rule and Regulations need updated include maintenance/upkeep of lots in this – Entire Board See January Board minutes – Marcia will take the lead on this process. We will obtain comments from the Board, lot owners and discuss with our Solicitor, with the goal of updated our Rules and Regulations this Spring. Notice sent to lot owners and all comments/proposed changes received. Revisions will be sent to Board on 3/1/21 and vote on March's Board Meeting. 2 Board members responded and 2 lot owners made specific comments. Discussion was held on the general language updates, a preliminary discussion was held on Boating Rules which Bill will work on appropriate jet ski language and Building Codes discussion will be held at a later Board meeting. Will be tabled until the new board is set.
- Ongoing lawsuit – Discussion only in Executive Session
- Outstanding Issue on lot owner not signing boat paperwork – Discussion only in Executive Session – Letter has been sent to Lot owner by solicitor. Lot owner has until Jan. 31st to comply.

Will address on January call with our Solicitor. Solicitor was instructed to move forward. Solicitor is handling and a complaint will be filed. Complaint filed and if lot owner does not sign but puts boat in/drives they will be fined appropriately and Attorney will be notified for next steps.

- **October Adds from Sept Meeting**

- Set separate account for Fish Derby no longer on SVDC books – P. Picoulas to work with S. Isgan.
- List of CD expiration dates and plan – Shelley locked in the Dam Breach Fund CD, \$280,000 at Slovenian Savings & Loan in Windber for 12 months at .38% – will need to watch in '21 as cash will be needed in operating the lake. Next expirations are March and April of 2021. Shelley to discuss at February Board meeting as we will need to keep funds liquid to assist with Weed spraying payment. See meeting minutes. The money, \$49,594.68, from the CD becoming due early March will be placed in the money market account to be used for expected 2nd quarter expenses coming due, including weed control. Shelley will be looking at CD rates to handle the CDs coming due in April. The CDS coming due in April, approximately \$100,000 will be placed in a money market account at First Peoples Bank in Somerset earning .648% interest. 2 additional Somerset Trust CDS coming due in April, will be placed at First Peoples Bank of Somerset at a rate of .747%. A total of approximately \$208,000 will be in that bank.
- Meeting location school/church – there are protocols to be followed if we move forward on changing to the school –Zoom for foreseeable future due to COVID - Board to revisit in '21. Beginning with the April meeting, Board meetings will be held in person at the Church for board members who are comfortable, others can attend via Zoom. Only lot owners on the agenda will be permitted in person others will need to view via Zoom.
- Patrol Boat location for 2021-Bill talk to B. Long or Derrick will ask his neighbor. Mr. Long has indicated that he will want more money to provide his land for use by the weed cutters. Thus this will also affect the use of this land for parking the patrol boat. Will ask Derrick to check with his neighbor. Will also need to find location for the cutter/cutters. Derrick to reach out to his neighbor for the boat location and Sean will investigate options for the cutter locations. Neighbor okayed usage for boat, SVDC maintain lot. Will check on cutters.
- **November Adds from October Meeting**
- Overall insurance bid in 2021 – all policies are in hand and being reviewed for proper coverages. Pole Building was added at an annual cost of \$350. Initial review completed and only minor revisions are recommended. Look to put RFP together and bid late spring/early summer. Brett Insurance approved to provide pricing on all policies, Broker of Record.
- Weed permit status – signed and sent to DEP along with check for \$500. Need to follow-up. All moving forward. 1st payment of \$25,000 has been received and is due April 15th. Initial spraying will occur the end of April, early part of May depending upon water flow. Lake usage will be limited during the time of the spraying, approximately a 4 hour period of time. Permit received coordination to be set based upon water flow.
- **December Adds from November Meeting**
- Potential fish survey late summer/fall of 2021 at an approximate cost of \$2,400. Jack H
- **January adds from December Meeting**
- LCT deep mine project-Leventry sent protesting letter to DEP requesting meeting with LCT. No update as of yet from DEP. Town Hall Zoom meeting was held. Will monitor situation.
- Employee audit-Jeff Blough will coordinate with Lynette. Jeff will get with Lynette in next several weeks. Completed please see minutes. Work continuing in April.
- **February adds from January Meeting**
- Lot and boat fees sent out to lot owners. All sent and payments are being received.

- Accounts Receivable update. Some collections occurring. Files received from previous solicitor, Attorney Persun, and need to be reviewed.
- **March adds from February Meeting**
- Musser lot issue. Brad working on with solicitor.