

TIMBRSHOR BOARD OF DIRECTORS MEETING – FEBRUARY 6, 2018

I. CALL TO ORDER AND OPEN MEETING

* Jim Cole called the meeting to order at 6:34 p.m. Board members attending: Jim Cole, Dan Novinski, Blake Johnson, and Dan McCarthy. Sue Roy also attended.

*On motion of Dan Novinsk and seconded by Dan McCarthy, the minutes of December 12, 2017 were approved, 4-0.

II. WATER SYSTEM UPDATE – Jim Cole and Dan McCarthy

The Waste Water system has been approved and permitted by email from Diana Luke at Lake County. The board has engaged attorney Rob Erickson and Kut Hafferman in follow up to the DEQ's memorandum of January 9, 2018 advising that now the Timbrshor HOA must tackle the water system. The original COSA contemplated that the Developer would build a community-wide water treatment system, which was never done. The State's position is that the 1977 COSA has now expired because the system was not built.

Litigation over this matter would be expensive and time-consuming, and the community would still be required to build a water system. The Board believes that the State is offering the HOA a good deal. Since the community is out of compliance, the State and County will not lift the current moratorium. This development is unexpected. The option to proceed is multi-faceted and requires an approach the State (and thus the County) would recognize.

A re-write of the water COSA is necessary. This is not an issue of water rights: rather the issue involves the source of the water and how it is treated and distributed. The State has indicted it is not amenable to continued use of individual treatment systems in the lake for surface water. A written plan must be in place so that the COSA is current/active. Once this is done, the State has indicated it will then support the lifting of the moratorium and allow at least 5 years and perhaps 10 years (by petition) for the execution of the plan. There are 17 units the State will exempt because those units existed prior to the 1977 COSA. Rob recommends using Kurt Hafferman for working with the County and the State.

Such a plan likely will entail a build out of a well-based water system rather than continued attempts to use surface water. An estimate of \$158,000 (for the units who are not "grandfathered" to build out 3 wells) was provided. The costs would be \$3600.00 for lines from the wells to the connect units and another \$10,000 or so in various expenses. Dan McCarthy advised that it costs approximately \$20,000-\$25,000 to dig a well; this cost would be the responsibility of the owners who use the well. There are 9 well locations. Some of the exempt 17 may prefer to be on a well. The 13 developed units which are out of compliance may prefer to be on a well sooner rather than later. Dan McCarthy and Jim Cole recommended that the HOA not wait until the annual meeting as the State is looking for the HOA to have momentum and this sweet heart deal could be lost should personnel or other changes occur at the State level.

The Board proposes that a communication be sent out, using the draft by Jim and Dan McCarthy as a starting point. Afterwards, there would be a conference call to walk the HOA members through what has happened. The State will allow the 17 units existing at the time of the 1977 COSA to continue to use surface water; these 17 units need not participate. Some of the Board members are included in the exemption by the State due to the units they purchased.

Since the State has invalidated the water COSA, the HOA and the community have an obligation to fix the COSA. The Board believes that the best alternative is a well system. Each individual well can handle up to 10 units. Timbrshor has 9 well locations. The Board believes that the Association should have some interest in the wells, for example, to enable the adding of units in the future.

The Board will recommend that the HOA pay for the plan, which will cost \$20,000 - \$25,000 and may require a future assessment to do so. Rather than requiring an immediate assessment now, Dan McCarthy proposed, and the Board agreed, that the Board would pay Hafferman \$10,000 now and \$10,000 later using some of the existing funds in the dock account.. The Board also recommends that implementation and administration of the water system be handled by the Water Sewer District (WSD). The County has referred to an election in May for the WSD.

The proposed memorandum to members needs editing. It will be too cumbersome to attach all the documents; rather, a water system project folder will be created with all documents made available on the Timbrshor web site. The Board proposed holding a telephonic meeting. While noting that some people will not be happy, Blake stated that the cost was relatively inexpensive compared to what we have just been through. Dan Novinski agreed with all the suggestions and noted that some members may prefer a cheaper cistern system but that may likely raise issues of where to place such cisterns on common property, decks, etc.. Dan McCarthy noted that this was a reason that a WSD was needed. Enactment of rules and regulations is required. If a member is not compliant, the County Attorney could bring an action rather than the HOA.

The plan will specify which units will be on which wells. The estimate of \$158,000 is for 3 wells to service up to 30 units. The lines will cost \$18.00 a linear foot to trench, bury and install the water lines. No unit would be more than 200 feet from the well. Dan McCarthy noted that once there is a plan, the water COSA will be revised, and the existing units out of compliance will have 5 years to connect to a well. Blake noted we need to explain that there are 9 well locations in a plan and COSA. The Board needs to know who wants to do what and when.

Blake Johnson moved and Dan McCarthy seconded that the Board move ahead to inform the community that a telephonic meeting will be held to provide an update on the water situation. The motion passed 4 – 0. Documents will be available for the members. This meeting will be held on a Saturday to accommodate the most number of members.

- DOCK UPDATE

Jim advised that he had the following three bids for Phase I, the most degraded part from the walkway from sun deck to the marina: McCrumb (\$39,000 - \$40,000); Hodges Marine (\$25,888); and Dock Master (\$23,400). The dock committee reported that there were problems with the

quality of Dock Master's construction on other projects around the lake. Blake Johnson has also had a bad experience with Hodges. The Board decided to go back to McCrumb to inquire if he would consider revising his bid to either meet or get closer to the Hodges bid. Jim will report back once further information is received.

III. GROUNDS

Blake reported that he still had not received an estimate from Big John to work on the remediation by the trash cans and boat lot. Big John will be doing some work for Blake later in the spring to re-stack a retaining wall, and Blake will try yet again to get a figure. Blake reported that Mark Esvold has been walking the grounds on a weekly basis for security checks. Blake does not have a bill from Steve Valentine for his past security work prior to Mark's assuming the responsibility.

A tree by the Ammons needs to be removed as it is leaning toward their house. Greg Dennison and Bob Dennison said the tree is dangerous and difficult to take down. The Board has not heard back from Doug Ammons about removal of the tree and payment.

Discussion ensued about Board members volunteering to staple the pheromone patches to the trees and about the best cost for the packets. Jim volunteered to undertake or assist with this project, and Sue Roy noted that her son, who has done this work previously, would help. Dan Novinski noted that the patches on trees on his property are getting lower thus raising some question about the quality/thoroughness of having Dennison do the work.

IV. ANNUAL MEETING

While an early June annual meeting would be preferable for some of the issues, it was decided that a later June meeting would accommodate more members. The meeting will be on June 30, 2018 at a location accessible to all and convenient for telephonic call-in. Sue Roy volunteered to call the Red Lion.

On motion of Blake Johnson and seconded by Dan Novinski, the meeting was adjourned at 8:00 p.m.

