

## **TIMBRSHOR ASSOCIATION ANNUAL MEETING**

**June 4, 2016 AT 9:00AM**

The Red Lion- Stillwater Room

### **I. Call to order:**

- Tom Cox opened the meeting.
  - Attending In Person ( ) denotes number of voting units over 1: Lane and Aleta Mead, Blake Johnson (4), Tom and Sue Roy, Dennis Duty, Jim Cole (2), Jim Payson, Adam Rys-Sikora (2), Beverly Roundtree, Don Roundtree, Bill Borchers, Audrey and Lorin Peterson, Mike and Helen Cobb (4), Doug Rotondi, Tom and Caryl Cox, Burke and Karen Townsend, Jack Manning (4), Kimberly Maxwell, Jock Schwank
  - Attending On The Phone: Dan McCarthy (4), Doug Ammons, Liahna Armstrong
  - Guests: Kurt Hafferman, Dennis Duty (for Tim and Kristen Rose)
- Presentation of Proxies:
  - Tom and Caryl Cox for Nancy Lewis, Tom and Ann Brooke
  - Jim Cole for Jill Nichols
  - Dennis R. Duty for Tim Rose (Power of Attorney) (2)
  - Doug Rotondi for Mary Ann Rotondi (2)
- Determination of quorum was made based upon 44 total units/shares represented in person, on the phone, or via proxy.

### **II. Review And Approval Of 2015 Annual Association Meeting Minutes**

- In consideration of previous annual meeting minutes, Burke Townsend moved, Jim Payson seconded, that the minutes from the Annual Association Meeting on June 27, 2015 be approved as amended. The amendment to the meeting minutes was distributed to all members on May 11, 2016 for review prior to the 2016 meeting.
  - Motion to approve last year's minutes passed with one opposing vote (Adam Rys-Sikora stated that he did not receive the minutes with sufficient time to review). It was reconfirmed that minutes were distributed to all on May 11, 2016 some three weeks prior to today's meeting.

### **III. Election Of Timbrshor Association Board Members**

- It was noted that both the Board Chair and Board Secretary positions are up for consideration. The Board Chair is currently held by Tom Cox while the Board Secretary is held by Liahna Armstrong.
- Liahna Armstrong indicated she was not interested in running for an additional term while Tom noted that despite his desire not to run again, he noted it would be best for continuation/completion of his leadership work on the community drain field project. Thus noting his intent not to serve his entire term but rather just the time required to complete the project and finish out the remainder of that year.
- Blake Johnson then motioned that Tom Cox be reappointed to Board Chair and Jim Cole be appointed to Board Secretary. Tom Roy seconded the motion and discussion ensued.
  - During the discussion on Blake's motion, Mike Cobb inquired regarding the procedure for how Tom Cox would step aside before the completion of his full three-year term. Tom Cox responded that it is his expectation that at the next Annual meeting (Summer, 2017) he anticipated submitting his resignation based on the expectation that the drain field project would be complete. Tom Roy inquired if Tom was willing to stay involved to advise the Board during and after this transition to which Tom indicated he certainly would given that he is a member of the community.
  - Blake's motion passed with all members approving, no nays, no abstentions.

#### **IV. Board Treasurer's Annual Report**

- 2) Financial Report for fiscal year 2015-16 was submitted and reviewed along with the proposed budget for fiscal year 2016-17 by Dan McCarthy, Treasurer
  - Dan reviewed the Treasurer's Report and noted that the night before this meeting the Board received a new bill from Hafferman Engineering, Inc. (HEI) in the amount of \$9,899, that would increase total HEI billings for 2015-16 to \$80,758.36. He noted that with that bill, our general fund is in the negative by approximately \$2,300. He pointed out that thanks to the large reserve balance in the dock fund we have sufficient funds to cover the temporary general fund shortfall. This will be resolved once the new assessments for fiscal year 2016-17 are issued and collected.
    - As a result of this general fund shortfall, it was his recommendation that the dues for fiscal year 2016-17 remain at the current levels for at least one more year. It was agreed at last year's Annual Meeting that the current dues level be reviewed annually until such time as the community can return to the previously lower figures.
  - Dan then reviewed the observations and recommendations that he was making as the HOA's Treasurer.
  - Sue Roy asked why the report showed no income for septic assessment payments. Dan noted that those payments, approximately \$57,500, were made in the 2014-

2015 fiscal year and were accounted for and shown in last year's Treasurer Report. Tom Cox indicated that he would try and post previous Treasurer Reports on the web site. Dan noted that all of those reports should also be in the HOA's files at Timbrshor and accessible to all members.

- Mike Cobb asked a question about the significant costs incurred by the community for the services of HEI in particular regarding what was budgeted or planned for. Dan noted that, based upon estimates provided by HEI, the Board set the aforementioned septic assessment at an amount slightly higher than HEI's anticipated design engineering fees, and that HEI substantially exceeded its estimate (by approximately \$25,000). He indicated that HEI was at the meeting and would address cost issues in its report to the community.
- Mike Cobb then asked about item number three in Dan's observations and recommendations in which he suggested the community consider exploring ways to lease out shoreline space for possible new dock locations. In particular, Mike wanted to know if this was a formal Board recommendation. Dan noted that, as in the past, all of his observations and recommendations were being provided as the HOA's Treasurer and that none should be considered as a "formal Board recommendation".
- Jim Cole suggested that when it comes time to approve (accept) this annual report, that the community do so but not officially approve item number three in Dan's observations and recommendations. Jim suggested that item number three should be forwarded to the Dock Committee for further consideration.
- Further discussion ensued regarding the condition of the docks, walkways, and materials used for construction and maintenance of the same. Mike Cobb specifically asked about the construction of docks being mainly wood and might there be other materials to be considered. It was agreed that further discussion on the docks would be taken up by the Dock Committee.
- Doug Rotondi moved that the annual Treasurer's Report be accepted with the noted exclusion. Jim Payson seconded. Motion passed with all approving, no nays, no abstentions.
- Blake Johnson moved that we maintain the annual fees at the current level (\$1,000 for developed units, \$400 for undeveloped units) for one more year. Jim Payson second. All approved, no nays, no abstentions.
- Dan McCarthy then moved that the community reduce the dock fees, Tom Roy seconded, discussion ensued.
  - Mike Cobb asked a question about the future cost of repair and/or replacement. Jim Payson mentioned that he expected future costs would be higher than the community has had in the past, Jim Cole agreed to the same.
  - Sue Roy stated she supported the motion to reduce the fees for one year given the rising costs in the community due to the drain field project, annual dues, etc.
  - Kimberly Maxwell recommended that the community not reduce the current dock fees to which Jim Payson countered with his suggestion that the community consider the alternative of reducing slightly to their prior level (\$300/150 annually for boats/jet skis).

- Sue Roy then stated she agreed with Jim Payson's recommendation, as did Dan McCarthy. Tom Cox then moved that the annual dock slip fee be reduced to \$300 for boats, \$150 for jet skis. Loren Peterson seconded. All approved, no nays, no abstentions.
- Jack Manning raised the question about who pays for future work on decking (the non dock slip areas, walkways, etc.). Tom asked that the Boat Dock Committee look into and discuss in order to provide the Board with a recommendation for how such costs should be handled in the future.

## V. **Drain field Project Update**

- Hafferman Engineering Inc. (HEI) representative Kurt Hafferman provided a detailed reported on the status of the drain field project, including:
  - Update on the overall approval process from the State (Department of Environmental Quality – DEQ) and Lake County. Approval from the State is nearing completion with a handful of remaining items needing to be addressed including a statement from Lake County regarding the already agreed upon final site locations.
  - Discussion then moved to questions regarding individual unit connections to the various drain fields.
    - Mike Cobb inquired whether all units would be receiving a new septic/holding tank. Kurt reported that the plan calls for a combination of existing tank reuse, decommissioning of some existing tanks, and installation of new tanks.
  - Jack Manning asked if Kurt could step back for a moment and provide an overview of the overall project status. In response, Kurt advised that the design work is complete, construction bid process is complete, that the formal approvals necessary are in process, and that a potential, qualified contractor has been identified.
  - Kurt went on to explain that the approval process at the State and County level has been somewhat impacted by the fact that the leads for both agencies departed at various points in the process. That meant that HEI had to spend more time educating the replacement County and State officials, submitting various documentation, and working to secure the approvals. At this point in time, the remaining holds are on one engineering item (Northeast side forced main) and obtaining formal confirmation from the County that the septic site plan accurately reflects all lot locations as specified by the Developer, Borchers of Finley Point..
  - In regards to HEI fees going forward, Kurt communicated that he anticipates lower costs/less involvement as the project moves ahead towards the construction phase, especially should Thompson be the contractor doing the work. This is due to their approach and ability to handle a project of this size and scope. Overall, HEI estimates between \$10,000 to \$25,000 in fees to complete the work.

- Mike Cobb asked regarding how long Thompson's bid is good for since we were unable to contract and start the project in the Spring? HEI responded the bid is good until Labor day. However, if the project were further delayed to next Spring, they (or any others) would have to review and adjust due to cost of labor, materials, etc.
- A number of owners (Bill Borchers, Jack Manning, Tom Roy and Burke Townsend) all asked questions pertaining to site locations. Dan McCarthy noted that all site locations in the septic plan had been specified by the Developer not the HOA or the Board, and that the Board has been advised by its outside counsel that it has no authority to change any of those locations. Jack Manning indicated that he agreed with that legal advice. HEI noted that care needs to be taken in the final siting of undeveloped lots so that they don't adversely impact the existing engineering plan, which could cost thousands of dollars to modify.
- Mike Cobb asked ~~what~~ about the likelihood of further staffing changes at the State and County levels, what approvals might we have in writing, paper trails and the like so we would not have to start again each time. HEI noted that everything is documented and should not be at risk.
- Mike Cobb asked about the need of the Water Sewer District (WSD) to collect fees via the taxing authorities. HEI said that it is not a requirement but the State would prefer this approach be taken to facilitate the maintenance and associated fee collection process once the drain fields are in place.
- HEI noted that they anticipate around \$187 per site would need to be collected annually for a reserve and maintenance fund that the WSD would administrate.
- Doug Rotondi referenced the original structures associated with the WSD, process of voting for Directors, etc. Jack Manning further explained how the WSD board would work with the County on the taxation. Doug Rotondi noted he would work with the County over the months ahead to prepare for a relaunch of the WSD if necessary, including voting on and putting in place the necessary Directors to administrate the WSD.
- HEI recommends that the community operate the WSD for management, maintenance, and assessments associated with the drain fields. Burke Townsend referenced the importance of that formal structure being in place.
- Jack Manning inquired regarding what is ahead this Fall for the project? HEI stated that the State DEQ will give a response back at the end of next week regarding the remaining open technical items and he projected July 1, 2016 for final approval. HEI will then to present the Timbrshor Board with any final modifications, construction and maintenance recommendations, and plans for the hiring of the contractor. It is anticipated by HEI that around early August the contracts should be ready execution by the Board after which the contractor will mobilize for a post-Labor day start. HEI's expectation is that the contractor should be done by October 1 (presuming a start right after Labor day), then the County will do their testing, certification, and come November 1, 2016 everything should be complete and in a position to be turned over to the WSD to monitor and administrate.

- Jack Manning returned to the early conversation on unit connections, tanks, etc. asking how this individual unit specific work would be completed. HEI said this would be done as work proceeds this Fall with HEI introducing the contractor to each unit owner so that the individual unit contracts might be finalized and work completed as the project moves ahead.
- Mike Cobb inquired as to when the individual unit tanks get replaced (or reused)? HEI stated this work would occur during the same time as the overall community work is conducted.
- Lorin Peterson asked about the use of the individual unit systems during the project. HEI said that most units will see little in the way of disruption and the details of cutover will be worked out with the unit owners.
- Jack Manning asked when the construction assessment will be required to be paid and how much should be anticipated. Tom Cox stated that when we are given the go ahead for the project, he estimates about 60-70% of each unit assessment will be required. Based on the schedule from HEI, Tom anticipated these funds would need to be collected in the August 2016 time frame. This is, however, schedule dependent.
- Dan McCarthy reminded HEI that the Board still needs a draft copy of the contract for review. HEI noted that it would provide the draft contract to the Board by Monday, June 6, 2016.

## **VI. General Topics**

- Bears
  - It was noted that the community has seen a recent spike in bear activity and to be reminded to be aware, careful, and diligent in the care of trash.
- Views versus Privacy
  - Tom Cox raised up the discussion topic regarding trees that are growing and as a result creating issues pertaining to lake views and privacy. Mike Cobb clarified the issue in that for their property, the lake views were being blocked by some trees growing up around a nearby unit and that his request was for those trees to be trimmed or removed. Jack Manning noted that he desired the privacy from the same trees for their unit. Blake Johnson provided further clarification on the types of trees, why they are growing, and had begun to consider options about what could be done given his role as head of the Grounds Committee. After discussion, the recommendation was made by Blake Johnson to address this at the Committee level. Mike Cobb further asserted the need to address quickly as we are now entering seasonal use, Jack Manning equally asserted the need and right for privacy. Blake Johnson worked to assure both that he understood the issues and would work to address. Both Mike Cobb and Jack Manning volunteered to join the committee to help develop a recommendation and resolution.

- Timbrshor Website
    - Tom Cox noted the improvements, Sue Roy thanked the Board for the improvements, especially the ease of use. Timbrshor.org is the site name.
  - Parking & Storage:
    - Consideration of parking areas and any need to adjust use and access will be undertaken in the Fall once the drain field project is complete.
  - 2016-17 Annual Budget
    - Dan McCarthy noted that the proposed 2016-2017 budget specified in the Treasurer's Report needed to be considered and approved. After discussion, Blake Johnson moved that the annual budget be approved as contained in the Treasurer's Report, Jim Payson seconded, and all approved with no nays, no abstentions.
  - Misc. Items
    - Jim Payson referenced that the burn pit was available through end of June. Contact him before putting items into the pit.
    - Laine Mead asked for a recommendation of a roof top moss remover. Jim Payson referenced a product that might be considered. Tom Cox mentioned Andy Stark as an option for the work.
- VII. Meeting Adjourned
- Jim Payson moved that the meeting be adjourned, Cary Cox seconded, all approved with no nays, no abstentions.