

Timbrshor Board of Directors Meeting Final Minutes

October 11, 2017 - Via Conference Call

I. CALL TO ORDER AND OPEN MEETING

- Jim Cole called the meeting to order at 6:35 p.m.
- Board Members Attending: Tom Cox, Jim Cole, Dan McCarthy, Blake Johnson (Doug Rotondi was called to work at the last minute:)
- Also attending was Dan Novinski, nominated at the Annual Meeting to fill the position of Secretary; and Sue Roy, assisting with Minutes.
- On motion of Dan McCarthy and seconded by Blake Johnson, the minutes from the Board Meeting of August 14, 2017 were approved.

II. DRAIN FIELD PROJECT UPDATE BY JIM COLE

Remaining Construction Items.

- Jim reported on several matters resulting from his recent walk through of the remaining open items. 1) remediation is needed on Drain Field E, including removal of rocks; re-installation of a soil cap to specification; grading and seeding. 2) Insulation of the 325 feet of the force main at the north end of Drain Field A, which involves removal and replacement of concrete road surface and graveling the rest. 3) An HOA requested is a design change to the dose tank located near Fordahl's to remove the vent pipe and relocate the power panel to improve access to the lake shore.
- Following completion of the open construction items, the updated "as built" redline drawings will be turned over by the engineer as part of the process, to secure the County's approval and issuance of the Certificate of Subdivision Approval (CSA).
- Tom Cox described an issue raised by Maggie Tillingast relating to rock and debris. The HOA may need to hire a separate contractor. Maggie also raised concern about the exposed sewer pipe coming out of her house.

Review and Approval of the TCI Settlement

- As authorized by the Board, Jim Cole contacted Levi Thompson of TCI to discuss settling the construction contract in order to avoid further legal costs and project approval delays. Mr. Thompson was ready with his financial position, providing a total "all in" number he believes he is due and to which he stated he believed would be upheld should a legal course of action be pursued. He did state he does not want a legal case or arbitration. Discussion centered on a table which Jim provided showing the numbers per the contract, the HEI proposed settlement, and the TCI

proposed settlement. The total “all in” costs, respectively are \$597,109.89; \$509,122.67; and \$547,606.17. Dan McCarthy stated that TCI’s settlement is the only realistic approach as litigation would be too expensive and the likelihood of success, per the Board’s counsel, would be uncertain. Blake agreed that there is a number which could certainly be determined to be acceptable to both parties. Though he is not happy with how TCI left the project and has reservations about whether Levi Thompson will finish quickly. Tom Cox did note that a check would not be cut until the work was done. Jim Cole will send a draft of an Agreement to TCI, which specifies that the work will be done and inspected by October 30, 2017 and HOA then has 30 days to cut a check for the remaining amount owed.

- On motion of Dan McCarthy and seconded by Blake Johnson, the Board approved the Settlement Agreement by a 4-0 vote. Rob Erickson will update the letter to TCI.

Review of Remaining Steps for County Approval - Report by Jim Cole

- When Levi is finished, he will update the “as built” red line document and provide such to the engineers, who will turn it over to the County and State as required. HEI will continue to shepherd the process with the County. Tom Cox and Dan McCarthy believe that this work was part of the original contract with HEI.

GROUNDS UPDATE BY BLAKE JOHNSON

- Many different areas on the Timbrshor need work as a result of the drain field and septic construction. Basic clean up is needed; the engineer reports that TCI is not going to do this. As an example, the dirt which was dumped near the dumpsters turns to mud when it rains. The HOA needs to bring in gravel. Also more rocks are needed to protect the infrastructure in several areas. Blake states that Big John (contractor) can take care of these matters easily and will give the Board figures once TIC’s work is complete. These matters can then be addressed as the budget allows.
- On going maintenance of the trees is needed. Blake walked the property with Bob Miller, who estimates that 20 trees need climbing to perform limbing and 20 additional trees need to be taken down. The cost will about \$5,000 in the same range as prior periods. It was noted that red paint indicates the trees to be taken down and pink ribbons indicate the ones to be limbed. The cost is \$20.00 per tree to climb and remove branches. The felled trees and branches can be used as firewood or disposed in the Spring burn pit.
- There was discussion about the shrubs and trees which are growing tall in front of the Cobbs’ house and obstructing their view of the lake. It was pointed out that sometime back the area was denuded by Larry Walter for construction. The root balls which were subsequently planted produce multiple stems and some are now

25 feet tall. Blake discussed the situation with Steve Valentine who was not sure what to do. If they are cut down, they will re-furbish themselves. The property owners below the Cobbs (Mannings), desire that the trees remain in order to provide privacy. Blake will talk with all concerned and to Greg Dennison about trimming or removing. Finally the Fordahls would also like some work done as a result of the TCI project. With all this work in mind, Dan McCarthy reminded the Board that the HOA will be short of cash and that some of these projects will either occur over time or, if owners wish them done on a more expedited basis, they may opt to pay for them directly.

DOCK/COMMUNITY WALKWAY REPORT BY JIM COLE

Review and Discussion of Upcoming Projects.

- There is continued degradation of the docks and walkway. Prior to the Board meeting, Jim Cole helped Jim Payson fix another of the floating docks and reported significant wood rot which, given some are 15 to 20 years old, is not surprising. The walkway along the cliff wall between the sun deck and the boat slips is in the worst shape of all the sections with even the railing starting to fall. The Board had previously asked for 3 bids but received only one from McCrumb in the amount of \$34,500 for that stretch. In order to extend the life of the section, McCrumb strongly suggested the use of steel beams. Though the McCrumb bid may be fair, the Board will again seek other bids prior to approving the work later this Winter.
- Dan McCarthy reported that there is \$58,000 in the dock fund.
- Discussion was had about payments for repairs and replacement to area such as the sundeck and walkways, which is used both by people not having boat slips and those who do. One view for such payments would be that the dock fund should be used for anything that touches the water, thus it should be used for the sun deck and walkways. It was also discussed that maybe the fees for the boat slips should be increased. Dan McCarthy recommended that the Board consider raising the dock fees next Spring when we should have a better handle on overall dock repair costs.

FINANCIAL REPORT BY DAN MCCARTHY

- Dan first reviewed several items in his report provided prior to the Board meeting, including the expenses for professional work - legal and engineering - construction expenses, new expenses, and the on-going expenses. He also noted that Rys-Sikora is delinquent in paying \$16,894 in septic fees and that there remains a number of owners who have yet to pay the voluntary requested fees for the replacement septic tanks that were required as part of the project. Those include Fordahl \$3,200, Karpstein \$3,750, Roundtree \$3,750, Estvold \$3,552 and Tillinghast \$6,900. The response for dues payment has been pretty good. After payment of the amounts

remaining to TCI and HEI, the HOA will have a cash balance of approximately \$19,696.00. Of this amount, the HOA needs to set aside \$10,525.00 to pay anticipated 2017/2018 administrative expenses. This will leave the HOA will approximately \$9,171 in the general fund to try to deal with lifting the building moratorium with the County; ground and tree issues and other issues.

- Discussion ensued about the bills from and payments to HEI. The initial expectation in January 2017 was that HEI's bills would be in the \$30,000-\$35,000 range but are now closer to \$67,000. Jim Cole will discuss with HEI both the bills and any additional expenses that should be anticipated (if any).
- The priority issue will be dealing with the County on issuance of the CSA and thus lifting the moratorium. Concern was expressed that the County would now start to pressure the HOA on the water issue, even though to do so would be disingenuous with respect to its communications to the HOA. Kurt Hafferman remains on point, on behalf of the Board to work with the County on these matters.
- The Board briefly discussed what to do regarding the voluntary unpaid tank fees and agreed to discuss that subject in more detail at the next meeting.
- Dan McCarthy recommended that expenses from the dock fund should be limited to approximately \$45,000 so that the rest could act as a reserve.

BOARD CHANGES

- On behalf of the Board Jim Cole graciously thanked Tom Cox and Caryl Cox for the previously provided resignation of Tom Cox as Chairman of the Board. Noting the consensus of the HOA at the annual meeting, Blake Johnson moved and Dan McCarthy seconded that Jim Cole be elected Chairman of the Board.
 - With Jim Cole taking on the Chairmanship, a board position was open. Blake Johnson moved and Dan McCarthy seconded to add Dan Novinski to the Board, again pursuant to the consensus of the HOA at the annual meeting. Jim Cole moved and Blake Johnson seconded that Dan Novinski be elected Secretary to fill out the term of Jim Cole. Voting was unanimous on the Board position motions.
- * Future board meeting will be held the second Tuesday of each month.

MEETING ADJOURNMENT

The meeting was adjourned at 8:00 p.m.

