

Harmon's Property Owners Association Summer Board Meeting Meeting Minutes

Meeting held at Hal Thompson's house

Called to Order: Saturday, August 12, 2023

Present: Al Gilson, President, Jon Lange, VP, Hal Thompson, Secretary, Jane Kreitzberg, Treasurer, Directors, Bob Kromm, Sherry Tedesco, Kim Kerr

Absent: None

Al Gilson called the board meeting to order at 9:57 am.

No members asked to join the board meeting remotely by the start of the board meeting.

Treasurer's Report

By Treasurer, Jane Kreitzberg

Accounts receivable recap - 8 people still unpaid. \$8,802 outstanding. Included in the total is \$852 to be billed in February, 2024 for the final installment of the one-time water assessment. Jane is contacting all these members. Jane discussed each outstanding bill with board. Two lots have sold. DeShazer's lot has the dues already paid for the current fiscal year. Lacey Thomas lot dues are still outstanding. After discussion about who are the new owners of the lot, Hal Thompson made the following motion.

MOTION: Jane to send communication to Lacey Thomas and new owners that unless the dues are paid by September 30, 2024, Jane will file a lien for the dues against this 3rd Addition property based on the new lien rules applicable to HOA's in Idaho.

SECOND: Sherry

VOTE: Unanimously agreed

Jane discussed the balance sheet. She pointed out that the Road Fund owes the Dock Fund of \$11,200 and the Water Fund owes the Dock Fund \$15,140. Current budget has the Road Fund paying back \$4,000 this year. This is about one-third. Water Fund budgeted to pay back \$7,000 or one-half the balance this year. However, may not be possible with the large repairs we've already incurred.

Al asked about the abandoned Well #3. After discussion, it was determined that the well should be removed from the HPOA Balance Sheet. IDWR has determined that we don't own the well since we have no legal access from the property owner.

MOTION: Jane made a motion to remove Well #3 from balance sheet showing a balance of \$43,642.

SECOND: Kim

VOTE: Unanimously agreed

Jane discussed the P&L. Compared to budget it's as expected. The water expenses are higher due to the large main line break repair and the monitoring equipment bills that were presented by our water operator.

Al told Jane to invoice Robbins for two days guest slip use at \$20 per day.

Sherry asked about someone she had heard was going to hook up to the water and would therefore owe the \$1,000 hookup fee. Hal stated that one member had put off the connection for the last two or three years.

Jane reviewed the detailed expense report showing expenses since the beginning of the fiscal year.

A discussion of the HDB billing. 40% up front. 40% upon delivery. We've paid both of these. We still owe the final 20% when the job is completed. Plus, we owe for the additional railing for the aluminum ramp of about \$3,000.

Al asked about the previous billing several years ago for A Dock ramp to see if the railing was included. Ted had that information. Jane may have it in the information that Ted gave her. Al offered to review the material if that would be helpful.

Jane has emailed board members a current membership list.

DeShazer sold to Golf JL LLC. Their lot is on Blue Spruce Lane. Al said the owner of the LLC appears to be Jonathan McDaniel from Boise.

Al discussed reserve studies. Shawn and Chris Gilson have both had experience in reserve studies. Shawn has been in HOAs. He also worked as an HOA manager for a HOA management company. These studies review future costs and funding them now for future replacement. Al sent two reserve study companies our general information and received two proposals to do a reserve study for HPOA. He also gave us reserve studies of HOA's that his sons had access to. Sherry said strategic planning for the future is a good idea. Cost of the highest reserve study was \$5,000. Al stated that several years ago, the membership said that they'd rather do one-time assessments for large projects rather than accumulating money for eventual replacement costs. Jane does not agree with the concept of one time large assessments because of the huge amounts that would be due from our members when a one time assessment was needed. Al stated that large one time assessments could be crippling for some of our members. Jane stated that with our board members we have much of the information that relates to roads, docks and water and there's no need to incur the expense of an outside reserve study. Jane expressed appreciation to Al for bringing the reserve study process to the board. She and Jeff tried a reserve study process proposed by DEQ but didn't feel it provided any useful information. Al told about Ted being against reserves because he'll not be around to get the benefit. Jane - the children would get the benefit. Al - the kids can pay for it. Hal - State of WA mandates reserve studies. As a board, if you don't do the studies it's a breach of your fiduciary responsibility and a board member can be personally sued. In Idaho a reserve study is NOT mandatory, only recommended. Hal gave an example of a WA HOA who did the study and tried to assess dues for reserves. It created havoc among members. Old members were against it, younger members were more in favor. Hal - we live in Idaho! We keep things simple. This is a spreadsheet application that Jane or Hal

could create. Hal - we need to talk about this to members. Hal - not pay for a study. When a study is done the reserve projections are so much that everyone ignores it anyway. Hal - appreciate that Al brought the concept to the board members. Hal - spend money that would be spent on a reserve study on something useful in the neighborhood. We do our own reserve computation which may not fully meet future costs but at the time we can do a separate one-time assessment for the difference. Hal - members selling their lots should remember that the reserves in HPOA should be added to the value of each lot. Al - do it yourself template for \$500 is a possibility. Bob - we have historical expenses in order to project reserve funds. Jon - utilizes reserve studies with his job. A one person perspective of what's going on. He takes the study and modifies it for what really is going to happen. Jon - not in favor of paying for the outside reserve study. Numbers are usually scary because they are so high. Bob asked about current dues breakdown. Jane - recap of current dues. \$50 - lot, 50 - dwelling, 400, - docks 200 - water, 200 - roads (as of next fiscal year). Bob - we need to increase dues to fund future expenses. Maybe raise 30% per year. Jon - dues should be \$2,000 per year. Cave Bay charges \$2,700. HOA comparative dues with others. Kim - agrees with having a reserve for expenses. Agrees with Hal that there should be some reserves. We should also communicate to members what other HOA's pay and also what our costs could be in the future. Build some reserves even though it may not cover the entire costs. Jane - no prior reserve studies so no cheaper reserve study. Do it yourself is \$500. Hal - appoint Kim to update our knowledge of other HOAs and their dues. Kim agreed. Soaring Hawk/Lacon/Crowsnest. Conkling Park Water Assn. Cave Bay. Rockford Bay. Get their dues breakdown if possible.

Water System

Jeff, our water operator sent an email to the board on June 7, 2023 regarding the DEQ five year survey of our system. Highlight - No deficiencies were detected. This is outstanding! Al had requested a copy of the study. Important to note that we are approaching the point with DEQ where we are no longer a very small water system. We will be bumped to the next category of water systems. This will require additional testing.

Jeff will be phasing out as our water operator. He will complete the monitoring system. He will not be taking on any additional projects. Hal and Jane discussed how the monitoring system is being installed. Lots of volunteer labor!

Jeff's replacement - Jeff and I are working with water operators in the area to see how each one would work for us. Hal - costs are going up. Jeff, Jane, Hal will be working on a new water system budget.

Al brought up water trouble shooting documentation so that "anyone" could walk in and trouble shoot. Hal stated that Jeff has put together an operators manual as well as individual sheets on clip boards hanging over each area for reference on what to do. Jane - amazing documentation already put together. Jane - Monitoring system will warn us about issues early. The board was given the codes for gate and service building access.

Internet access - would cost thousands. We will be going cellular for the monitoring system. Al - old cable TV site pole. Trees in the way. Al - cell coverage on weekend is spotty, especially on weekends. Also, on access road can we run a cable to Gilson's to connect to internet.

Backup Electrical Power - This is in response to discussion at the annual meeting and the board's promise to check into it. Jeff won't do this project. He will be retiring. Next water guy could run the project, accumulate all of the costs, etc so the board could determine if the project is feasible. This is not a home system installation, but an industrial application with extra infrastructure to protect all of the expensive controllers, etc in the service building. Jon - member, Mitch Sisson works with people with expertise in industrial back up systems for hospitals.

Jane asked what the reason is that we want a back up generator? Bob - if the power goes down. Jane - we have several days water supply and in the winter even longer. Jon - in a fire. Jane - 40 thousand gallon reserve. Hydrants use 500 gallons per minute. This gives us 20 minutes worth of water with multiple hydrants running. Takes pump 10 hours to fill the reservoir. In a fire, it's not going to do much for us. Al agrees with this. Jon and Bob agree with this. Jon stated a quick estimated cost could be from \$50,000 to \$80,000. No fire hydrants in 1st Addition.

Docks

Docks - Al has worked hard on this project. Checked this week. C Dock ramp and dock to be installed next week. HDB has 2 pile drivers. HDB is worried that they can't get their pile driver barge down between the A Dock and B Dock. Al and Jon are going down after the meeting and will measure the distance. Two boats that stick out in the waterway, O'Conner and Gilson. HDB says we can't have any boats in the slips. Probably be late fall. Five new steel pilings first and the electrical one later. HDB will only come when they can do them all. C Dock ramp will have railings. Ramp can only be installed if the railings are installed. Hal - electrical pole can't be installed after September 15 because of the lake water level being lowered.

Guest slips - Robbins is only one that has done short term rental of guest slips.

Lonnie Allemand expressed interest in switching his outside slip, C-3, on C Dock to the inside of C Dock, guest slip, C-2. Everyone was in agreement. Lots of people will want that outside slip.

Yahoo calendar created by Al so that all board members can check the calendar for guest slip use. Board members should contact Al if they need access to the calendar.

Hal reported that Porta-Potty employees are complaining about how hard it is to place the potty and service it. They would at least like steps down to the gate for access. Al and Jon suggested giving them the gate code so that they could go down the stairs and open the gate. Hal - we need someone to do the steps down to the gate. Jon and Bob will look at it. Sherry volunteered her son to help. Sherry will call St Joe Party Hut regarding the gate code and access.

Discussion of concrete pad for C Dock when new ramp is installed. The pad would be on the shore. Could use blocks. Maybe leave it on the ground like A Dock. Al - don't want it resting on the concrete wall. In the winter this would happen. Al - jack it up and put a brace under it during the winter so it doesn't rest on the sea wall.

Electrical issues pending based on the new piling to support the wires. Hal - when HDB comes to put the piling in, we'll personally go down and move the boats to make sure the barge can access the area. Kim is neighbor with an Idaho electrical inspector.

Al discussed the seawall and the sand that was placed in prior years. Seawall is deteriorating. Rocks need to be placed to keep it from eroding. Rocks in the lake need to be brought up to the seawall during low water. Discussed CdA tribe and repairing the seawall. Jon - best solution is the spray-on concrete that is used on rock walls next to highways.

Roads

Jon - crack seal needs to be a hot seal. Needs to be professionally done. Jon will check on this. Al - discussed the reason for sides of the roads cracking off. It is due to the poor base when the roads were created.

Jon - construction mess on the roads. Contractor needs to clean up dirt on the roads. Jon will talk to Vargas' about the dirt on the road next to their Highside lot. Al - could clean from the fire hydrant. Al - need to supervise the cleaning. Vargas used Leonard Johnson to do the work.

Jon - edge weed spraying. Hal - sprayed the road edge once. Maintenance over the years has reduced the need to spray as much for trees and thistle. Hal and Jon do backpack spraying of thistles on HPOA right of way.

Operating Rules Revision

Hal - we should have a separate board meeting to discuss this specifically. Bob has offered his place to have the meeting. He'll let us know. Board meeting set for September 9, 2023 at 9 AM.

Web Site

Al - adding minutes to the web site. The annual meeting minutes are already there. These minutes will be added to the web site.

Executive Session

Not needed

Adjourned 12:20 pm

Signed:

Hal Thompson, HPOA Secretary