

**Minutes of the Regular Meeting of the Board of Directors
Timber Cove Homes Association
August 18, 2018 at the Fort Ross School**

A regular meeting of the TCHA Board of Directors was held on Saturday, August 18, 2018 at 10:00 a.m. at the Fort Ross School.

Attendees:

Directors:

Russell Wells, Vice President

John Gray, Treasurer

Cindy Culcasi, Secretary

Bob Leichtner

Rosemary Gorz

Margaret Grahame

Ms. Culcasi chaired the meeting.

Mr. Case was absent. Ms. Gorz called in via phone.

A conference call using the land line was utilized

Call to order

Ms. Culcasi called the meeting to order at 10:05 a.m.

Approval of Agenda

Upon motion duly made and seconded, the agenda was approved (6-0)

Approval of Minutes

Upon motion duly made and seconded, the minutes from the June 16 Regular Meeting were approved (6-0). Updates included:

- The Wi-Fi conference call did not work for the entire meeting
- The vote to approve the purchase of the additional mail boxes was added to the minutes. It was missed in the first draft
- A correction was made to the Architectural Review section noting that John Howland is available for architectural review in addition to two additional architects yet to be determined

Upon motion duly made and seconded, the minutes from the July 28 Regular Meeting were approved (6-0) Update included:

- Carmen McKay lawsuit was listed in error as a bullet discussed during Mr. Gray's Director Statement. It did not exist at the time of Mr. Gray's decision to run for the Board

Public Comment

Chris Feddersohn - The Roads Surveys were sent out, both electronically and by snail mail. Mr. Feddersohn was pleased by the number of people who have responded. Most seem to be in favor of dissolving the HOA. Only a few of the respondents believe the HOA should remain. Mr. Feddersohn reminded everyone they want to hear back from all members. Members still have some time to respond. The deadline is August 25.

The Roads Survey Committee asked if they could follow up with members who had not yet returned surveys. Ms. Grahame was concerned that members might be contacted multiple times for a response via personal phone calls. Mr. Leichtner reminded members that the Board is neutral no matter what their personal thoughts are. Under the By-Laws and Davis Stirling, because we received a petition with sufficient signatures, we allowed the Roads Survey Committee to mail the survey to members. Mr. Leichtner agreed with Ms. Grahame that enabling follow up with non-responding members may exceed our obligation and might be found to be annoying or intrusive. As a less burdensome alternative, Mr. Leichtner suggested that a global follow up email message could be sent to all members so that members don't feel singled out for a response. Mr. Feddersohn agreed with the suggestion. Ms. Vernon reminded members they can respond anonymously.

The Roads Survey Committee will send the proposed email message to the Board for review prior to distribution. Only one reminder will be sent. Ms. Grahame asked that the number of responses and how they voted should not be included in the email as to not skew the numbers. Mr. Feddersohn agreed.

A member thanked the Board for their work and commented how nice the meetings were.

President's Report

Mr. Leichtner mentioned the Board held a Closed Session Meeting earlier this morning. The topic was about legal matters and mostly the litigation. Mr. Leichtner will comment later in the meeting during the legal agenda item.

Office Communications - John Gray

Melany Collett is absent today. Mr. Gray had no communication to share.

Treasurer's Report

Refer to the August 2018 Treasurer's Report posted on Timbercovehomes.org (HOA website) for discussion details

Highlights:

- Bank Balances - Mailbox Account: The additional mailboxes cost \$2800.00. Donations - totaling \$1158.26 have been received from some members

Upon motion duly made and seconded, \$35,000.00 will be moved from the reserves to operations and \$8000.00 from the Bond Account to operations will be used to pay bills. The recent audit of the HOA confirmed that the surplus in the Bond Account is correct. The Board approved the motion (6-0).

- Collections - 7 of the 26 pre-lien notices resulted in the members paying or requesting a payment plan
- Collections - Mr. Leichtner noted that in order to be in good standing and eligible to vote in the upcoming election, a member must be current in obligations (per the By-Laws)
- The Engagement Letter for the proposed Election Inspector was discussed - For a valid election there must be a quorum of eligible members voting, per the By-Laws, or the HOA must have another election within 30 days with a quorum of 33 1/3 %. It is important to vote to help ensure there is a quorum.

Upon motion duly made and seconded, James Ernst will be hired as the independent election overseer. The Board approved (6-0).

- A member asked about cumulative voting. Mr. Gray stated there will not be cumulative voting for this election. There will be a provision for proxies stated on the ballot when it goes out

Upon motion duly made and seconded, Mr. Ernst has requested an approval from the Board that allows him to take measures to ensure the integrity of the election. There is no additional cost for this step. The Board approved (6-0).

Legal Claims/Legal Committee Update - Bob Leichtner/John Gray

John Gray was deposed by Plaintiff's lawyer as the designated "person most knowledgeable" for TCHA based on his familiarity with relevant records. His deposition was not completed and will be resumed at a later date.

Lawsuit Overview - Bob Leichtner

Mr. Leichtner commented on issues in the lawsuit and questions that have been raised by members.

Ms. Grahame asked members to recognize the efforts the Board is making working closely with legal counsel to protect the membership. Look at who is working for the community and not their own self-interest. The Board can't share sensitive attorney client communication, or other confidential attorney information related to TCHA defense, but we are doing all we can to try and cover us all.

A member commented on the recent email to the membership from an individual which implicated others in the invasion and downloading of private emails which is at the heart of McKay's lawsuit. The member doesn't see how the HOA can be removed from the lawsuit based on that email. Mr. Gray responded that there are some issues the Board can't discuss due to confidentiality.

A member commented the Board is doing valuable work researching the lawsuit. If a Board member is acting outside of their authority, is the HOA still responsible? Mr. Leichtner responded that you have to look at the specific facts.

Ms. Grahame responded. If Ms. Grahame cut down trees on someone's property without permission, who is responsible? Is the HOA responsible? The question is was Ms. Grahame acting within her authority or outside of it. Mr. Leichtner agreed these are good questions regarding what the law says, but they are also dependent upon a lot of facts: records of the basis of decisions; whether decisions made violate the bylaws or Davis Stirling, evidence of improper purposes, bad faith or malice. Our direction to the attorneys has been, the Board wants to get the Association off the hook, the cheapest fastest way possible.

A member thanked Mr. Leichtner for his explanation of the issues we're all facing.

A member asked if the defense counsel litigation updated memo was mailed out or only sent by email. **The Board needs to check with Ms. Collett to confirm.** We need to grab the attention of the lot owners and email might not be sufficient to do that but mailing a document should. Mr. Leichtner suggested the Board wait before sending another message since more parties might be added to the lawsuit. Plus, we are still in the midst of determining if we have insurance coverage.

A member is concerned about how much information we can safely discuss and fears the plaintiff will benefit. Mr. Leichtner responded: Plaintiff already has lots of information. And, after extensive document production and Mr. Gray's deposition, the plaintiff knows more than they did before. She is obviously already aware of what is said in social media as well as the recent email from a member in response to Mr. Spaulding's recent memo. We are trying to balance sharing information to address member questions, without compromising confidentiality or defense strategy

Election - John Gray

Mr. Gray reminded members that By-Laws require a quorum for the elections. Last year 116 voted of which a few were not counted since they were not in good standing. Mr. Leichtner reminded members that they need to vote to reach a quorum.

Fire Abatement - John Rea

Not much new information to share about fire abatement since the water board has been focused on other urgent pending issues. This is obviously a period of peak fire concern. The Water Manager resigned, and Mr. Rea is talking to him on a daily basis. Mr. Rea is working on a plan for the new and existing Water Operators going forward. The new Water Operator is working to file public reports that were not filed timely in the past. A brief email was sent out by Mr. Rea to the membership recently. He has no new details to add.

Ms. Grahame pointed out a tree recently fell on Lee Drive.

Mailboxes – John Gray

There are 30 mailboxes available. A communication will be sent to the membership. Mailboxes will be limited to home owners and property owners, with homeowners getting priority. There is a one-time fee of \$100.00 for a mailbox. Once all homeowners (including homes under construction) have first crack, the mailboxes will be opened up to lot owners. There are 208 properties and 90 homes in Timber Cove.

The mailboxes off Ruoff are full and there are none available. A new independent mailbox has popped up. A member would like to find out who the mailbox belongs to and get them a new mailbox. Ms. Grahame asked if we can expand the mailboxes off Ruoff. Mr. Gray stated the mailboxes off Ruoff are in Unit 1, however, a member added there are Unit 2 members who also have a mailbox off Ruoff. Mr. Gray added the independent mailboxes may not be a member of our HOA, so do we really want to remove the independent mailbox and give them one of the HOA mailboxes? If we did ask the independent mailbox owner about moving to our mailboxes and they did not want to change, the HOA does not have any authority to make them.

A member added that a Unit 2 Member initially donated to buy the mailboxes off Ruoff.

A member is concerned about the security of the second key kept for the mailboxes specific to where the key should be stored. Someone could have access to her (or any) email boxes. She would like the post office to maintain the second key and not the HOA (Currently the second (extra) key is located in the Lyons Court office). That would be the only reason for this member not to request a mailbox.

A member (on the Water Board) would like to get a safe for the Lyons Court office. There could be a dual control for the safe (no one person has the key and combination) to protect the mailbox keys and other items in the safe. Ms. Grahame requested we ask the Post Office to maintain the second extra keys.

Follow up to Ruoff Sign

Ms. Culcasi will confirm via the TC Newsletter that Tom Giacinto donated the sign. If donated, the Board can take the existing letters without requesting permission.

Adjournment

Upon motion duly made and seconded, the Meeting adjourned at 12:13 p.m.

Respectfully submitted,
Cindy Culcasi, Secretary