

Minutes of a Meeting of the Board of Timber Cove Homes Association In General Session

Held Saturday, May 9, 2020 at 10:00 a.m.
Via Conference Call due to Covid 19

Attendees:

Directors Present on Conference Call:

Ron Case, President
Russell Wells, Vice President
John Gray, Treasurer
Cindy Culcasi, Secretary
Bob Leichtner
Margaret Grahame
Rosemary Gorz

Office Manager Melany Collett was present

Sign-in/Participant List attached at the end of the minutes

Call to Order

Ron Case called the meeting to order at 10:04 a.m.

Review and Approval of the Agenda

Upon motion duly made and seconded, the Agenda was approved by the Board 7-0.

Review and Approval of Previous Minutes

Upon motion duly made and seconded, the February 8, 2020 Minutes were approved 7-0. The March 14, 2020 General Session Minutes were approved by the Board 6-0-1 with Margaret Grahame abstaining (she was absent for the March Meeting).

President's Report – Ron Case

Legal Update, Claims, Insurance, and Personnel were discussed during the Closed Executive Session.

Office Manager's Report – Melany Collett/Board

Ms. Collett has reduced hours. She has been busy with banking and processing all the dues received. Ms. Collett reminded members to mail in their dues if they have not already.

There are two new escrows. One on Ruoff and one on Davis. Three escrows closed last month

Public Comment

Cindy Culcasi thanked Carolynn Abst for her work to include Timber Cove in a grant being submitted to improve the internet. When only a few members responded, Carolynn contacted TCHA Members and residents of Timber Cove Unit 1 and reminded them to respond to the survey request. Timber Cove is now included in the grant to be submitted shortly which should help improve our internet. Other members also spoke up and thanked Carolynn.

Another member thanked the Board for clarifying and revising the February Minutes.

Bob Leichtner spoke to the protocol for a conference call meeting. He suggested that member questions and comments be made only during public comment since the meeting is not in person and online meeting communications can be difficult to follow and sort out. John Gray did say he would take questions regarding the budget and Treasurer's Report. Members can email questions to the office and the Board will respond.

A member spoke about the Hannah Clayborn Cross Complaint against the HOA from the McKay lawsuit, which was discussed in the February Minutes. He spoke specifically to the emails (exhibits) included in the recent minutes and how shocking they were. The lawsuit has gone on for a couple of years and some members may have lost interest and the details are hard to follow. The member suggested a summary to explain how the lawsuit got started, how it unfolded, and how it ended. It is important that members know who the players were who caused this lawsuit, so they are never on a Board again. Ron Case said the Board would take this under consideration.

Business Items

Treasurer's Report – John Gray

Mr. Gray delivered the Treasurer's Reports for April (there was no April Meeting) and May. The PowerPoint presentations of the Reports and the Budget Update will be available on the timbercovehomes.org website. The Treasurer's Reports are located under Board Meetings and the Budget is under Governing and Business Documents.

March Bills:

- **Office Depot - \$25.00 (autopay on office credit card)**
- **Chase \$318.87 - Office expense**
- **California Franchise Tax Board (FTB)- \$16.00 - Corp entity fee**
- **FTB - \$38.00 - Form 100ES (Corp Estimated Tax)**
- **FTB - \$10.00 - Form 358ES (Corp Entity Fee)**
- **IRS- Payroll tax - \$1,300.32**
- **National Partner Insurance - \$3,858.30 (2 months payment)**
- **Walls Law - \$840.00**
- **Frontier - \$134.70**
- **Payroll - \$3,489.20**
- Total - \$10,030.39**

Upon motion duly made and seconded, the Board approved paying the March bills 7-0.

April Bills:

- Office Depot - \$25.00
- Low balance fee - \$12.00
- National Partners - \$1,929.15
- Frontier office phones - \$134.36
- Payroll - \$2,309.28

Total - \$4,409.79

Upon motion duly made and seconded, the Board approved paying the April bills 7-0.

Budget Update

Budget vs. Actual Budget was reviewed (located in timbercovehomes.org). The Board thanked Mr. Gray for his hard work, transparency, and diligence.

Legal Report – Legal Committee**Lawsuit Conclusion**

Carmen McKay's lawsuit is done. We have not received the official dismissal of the Clayborn Cross Complaint from the Court, but we were notified by our attorney appointed by the Insurance Company that the insurers have settled the Clayborn cross complaint, which was the last remaining claim in the case. The final settlement of \$11,000.00 was paid by our insurance company for that Cross Complaint. There is no more litigation pending against Timber Cove.

Proposal for Collections Relief to pay Dues and Special Assessment to address Covid 19 Hardships

Bob Leichtner outlined a proposal to address Covid 19 Hardships:

- For those with hardships, it is proposed that the Association offer a payment plan for unpaid dues for 2020-2021 year requiring an initial down payment of 20 to 25%, that includes quarterly or monthly installments ending no later than April 2021.
- Also proposed to create a moratorium period on late fees, penalties, etc. for unpaid Special Assessments from April 30 to September 30, 2020. All late fees, penalties and interest costs will be forgiven if the delinquent member provides the Board a written request to do so no later than September 30, 2020, in consideration of their payment in full of the overdue Assessment. The requesting member can either pay the overdue Special Assessment in full or enter into a deferred payment plan, with a down payment and installments to be completed by April 30, 2021. The Special Assessment money collected will go towards paying back the Roads Reserve Fund. No member who has not paid the special assessment has yet been sent to collections. The Collections procedures will resume after September 30, 2020.
- These special accommodations will include members who have not paid this year's regular dues, or Special Assessments, but will not extend to late regular annual dues from prior years.
- We will send out notices to members who are eligible for the process.

Upon motion duly made and seconded, the Board approved the proposal 7-0.

Architectural Update - Architectural Oversight Committee

There are no new items to discuss.

Roads Update – Roads Committee

There are no new updates regarding the roads.

Continuing Business

Lot Mergers – Legal Committee

The Board received a letter from a member who had merged their 2 lots and now they believe they should only pay one HOA Annual Dues Assessment. The Board referred the matter to our legal counsel. Per Peter Walls (HOA Attorney), the lots subject to dues assessments are those shown on the 1965 subdivision map as referenced in the CCRs. Merging two original lots into one does not alter the original allocation of fees obligations for the two lots based on the Map and CCRs. No one can be “grandfathered” to pay a reduced annual dues assessment for combined lots unless they can demonstrate that they relied on written advice provided by a prior board that stated they would only be responsible for a single dues obligation after they merged their lot. This applies to all lots that were merged in the past also.

It came up at a recent meeting that one of the present Board members pays one HOA Dues even though they own 2 lots that were merged. The Director purchased their lot as one lot (the lots were merged prior to the purchase of the property). The member asked why the Director was only paying dues for 1 lot. Mr. Gray pointed out that we were not aware of this issue until it was brought up by the Director at a recent meeting during the discussion of lot mergers. The Director will check in her escrow package from the purchase to determine if there is any documentation from the Board at that time confirming that the purchaser would only be responsible for a single dues payment for the merged lots. . If no such documentation is located in the escrow package, the Director will pay dues for two lots going forward.

The Board will respond to the member to tell the member they need to pay dues for two lots. The Director also responded and said she would go along with the lawyer’s opinion although she questions whether the result is fair.

Ron Case stated if numerous members merged their lots, the dues collected would not be sufficient to pay the operating funds for TCHA.

A member asked why the February Meeting Minutes did not contain all the details discussed regarding lot mergers. Ms. Culcasi said she would look at the prior minutes. Bob Leichtner also added that, in any case, the details fully discussed today will be in the May Minutes and all points would be covered. These same points were discussed in the February Minutes, but not in such detail.

Review Tree Cutting Policy – Architectural Oversight Committee

There are trees being cut throughout the community without any submittals requesting permission primarily because of fire abatement. Ron Case has driven around the community looking at the trees that are being cut. He has not seen any redwoods that were cut. Most trees being cut down are tan

oaks or dead trees. We are establishing a policy to be implemented shortly to help clarify and refresh the rules.

A member asked about the policy and what was being done about completing it. Ron Case reiterated the policy is being created and will be implemented soon. There was some discussion regarding alerting your neighbors when you will be cutting down trees as a courtesy. Additionally, a member asked that if a neighbor is concerned about tree cutting on a property, they should refrain from trespassing on a neighbor's property but contact them directly about concerns or questions regarding the trees cut or trees about to be cut.

Return of Performance Bond to Member - Ron Case

Ron Case went to the house and observed the home. He reviewed the checklist from the member, confirmed complete compliance and proposed the bond be returned.

Upon motion duly made and seconded, the Board approved 7-0 to return of the bond to the member.

Sonoma Coast Coastal Plan – Timber Cove Description – Cindy Culcasi

Cindy Culcasi asked for an update from Chris Feddersohn regarding the Timber Cove description in the Coastal Plan. Tanner Heirs (Chief Plant Operator and Plant Manager) had a good conversation with a County Representative regarding the description. Due to Covid 19, Tanner and the Water Board are very busy addressing regulatory requests so there has been a brief delay addressing the issue. The conversation was very positive, and he and Mr. Feddersohn will follow up and most likely have an update for the June Meeting.

New Business

There was no new business

Adjournment

The President adjourned the meeting at 11:25 p.m.

Respectfully submitted,

Cindy Culcasi, Secretary



Sign-in/Participant List

Members who identified themselves on the Conference Call

1. Anne Vernon
2. John Rea
3. Carolynn Abst
4. Kathleen Marsh
5. Sharon Bonelli
6. Diane Feddersohn
7. Chris Feddersohn
8. Hugh Long
9. John Rosen
10. Linda Saldana
11. Sal Culcasi

There were additional members who called in but did not identify themselves (listed below). Two of the phone numbers listed on the conference call report were noted as anonymous and one was a wireless caller.

1. Claudia Lafferty
2. David Shearer