

Hidden Valley Home Owners Association
Annual Meeting Minutes
 July 2, 2016
 Tuftonboro Town House

Meeting began at 10:10 AM

Board Members present - David Smith, Mark Evitts, David Sharp, Janice Michaud, Ron McCracken, Chuck Wilcox, Tom MacPhail, Jim Minieri, Dottie Endres, Ed Davis, and Bob Shockley

HVPOA Members in Attendance:

Last	First	HV Street
Blackett Crowe	Geoffrey Joanne	27 Valley Road
Cannon	Frank & Sue	13 Hidden Valley Dr.
Corcoran	Paul & Joyce	78 Hidden Valley Drive
Davis	Edward	24 Hidden Valley Dr
Dopp	Eedee	13 Bishops Gate Road
Ducharme	Tammy	890 Beech Pond Road
Endres	William & Dottie	47 Valley Road
Griffin	John & Carol	49 Valley Road
MacPhail	Thomas & Kathy	7 Valley Road
McDonnell	Gail	15 Ethan Allen Road
Michaud	Michael & Janice	15 Valley Rd.
Minieri	Jim	14 Ethan Allen Road
Nardone, Jr.	Henry & Barbara	12 Valley Road
Ness	Lyn	Bishps Gate Road
Newman, Jr.	Ted	4 Bishop's Gate Road
Shockley	Robert & Donna	6 Alberg Road
Smith	David & Sheila	36 Hidden Valley Dr.
Tyler	Donald & Mercedes	10 Hidden Valley Dr.
Altman	Stu	42 Hidden Valley Dr.
Crawford	Richard & Martha	20 Hidden Valley Dr.
Earle	William & Carol	27 Hidden Valley Dr.
Froemberg	Guenter	1 Aspen Drive
Hawley	Charles & Joan	12 Hidden Valley Dr.
Hernandez	Jane	19 Valley Road
Janeczko	Stan	16 Hidden Valley Dr.
Kelley Phipps	Tara Ralph	2 Valley Road

Kennedy, Jr.	Thomas & Barbara	4 Valley Road
King	Jay	7 Aspen Drive
Kleinberg	Arthur & Eileen	28 Hidden Valley Dr.
Koning	Thomas & Sharon	81 Hidden Valley Dr.
Levesque	Dan & Joyce	69 Hidden Valley Drive
McCracken	Ronald & Marcia	37 Hidden Valley Dr
O'Brien	David	84 Hidden Valley Drive
Rooney	Thomas & Joyce	16 Ethan Allen Road
Sousa	Kenneth	17 Valley Road
Steinman	Ted & Carol	71 Brown Road
Whelton	William & Pam	38 Valley Road
Worthen	Linda & Bill	26 Alberg Road

President's Opening Remarks

David Smith began his opening statement by announcing his retirement from the position of President of the Hidden Valley Property Owners Association (HVPOA) Board after a dozen years of service. He then outlined the recent activities and reorganization elements in the transition of the Board moving forward:

1) Facility upgrades. Fiscal 2016 (July 2015 through June 2016) upgrades include the tennis court resurfacing project, a new marina and stairway access and hopefully, a Second Beach upgrade later this fall. Slightly longer term (1-3 years) is a planned upgrade of First Beach. The renewal and upgrade of HVPOA facilities should improve the quality of life for all members of the community.

2) Starting in late calendar 2016, the Board will add additional meetings in the offseason (October, January and April) to better serve its membership. In recent years Board Meetings were held only during the late spring and summer months. Board Members who are away during the offseason months will have the opportunity to call-in to the meetings via a teleconference line.

3) Highlights of a member survey undertaken by Treasurer David Sharpe this spring were outlined. Two central themes that came out of the survey from the vast majority of respondents were:

a) Their desire to improve the quality of our common areas and seek ways to further advance these facility improvements;

b) An appreciation that dues have remained at the same level for many years (\$500 for approximately 12-years) and a desire to avoid a dramatic dues increases or the need for special assessments in the years ahead.

David noted that the two central themes that came out of the aforementioned survey are somewhat in conflict; specifically, our members' desire to continue to improve common areas without raising annual dues. He went on to note that the result of maintaining dues at a relatively low level has been at the expense of not improving facilities (until only recently) which has contributed to significant deferred maintenance that is now being addressed by spending much of HVPOA's reserves in the renewal and replacement of the tennis courts [completed], marina and access pathway (in final stages), Second Beach (planning well in progress) and First Beach (2-3 years off).

The one asset we have funded annually has been our roads. That being said, this year (F '17) the decision was made by Ron McCracken and supported by the Board to defer road improvements to allow for the completion of the common area upgrade projects (specifically the Second Beach project).

David introduced the concept of a Capital Reserve Fund which basically is a line item in an annual budget that sets aside funds to cover the cost of depreciation. The funds in the Capital Reserve gradual build over time and are used to fund future capital expenditures. His desire to use this planning tool moving forward will provide a clearer and more realistic position of HVPOA's finances. Historically, we have funded upgrades from the emergency fund or we have deferred road maintenance. Both of these actions have distorted HVPOA's true financial position.

To meet our responsibilities there will be a need for a dues increase beginning next June. While this will be necessary, David stressed we will remain fiscally responsible. He does not anticipate nor want to use special assessments as a means to fund capital improvements as they often result from poor planning and are fundamentally unfair. We will continue to retain an Emergency fund to cover unanticipated annual operating costs.

David closed his remarks by thanking Secretary Janice Michaud for all her great work and assistance to him. Further, her recent suggestion to hold our meeting at the Town House was an excellent suggestion and likely greatly contributed to our best attendance in his tenure as President.

Report on the Second Beach Project

Mark Evitts introduced himself as a long-time HVPOA resident, who visited in the summer months as a kid, then buying property as an adult. He recognized the need to step up what has been happening with capital improvements and reinforced David's message. He commented that we have been doing a good job with our roads over the years but now it is time to take care of HVPOA's other shared assets.

The assets that now need attention are our beaches. They are run down and no longer can sand simply be dumped on the beaches. In order to add sand after the implementation of the Shoreline Protection Act, a perched beach design must be utilized. Two renderings of the proposed Second Beach were displayed in Meeting House on easels for HVPOA members to review.

In the summer of 2015, a committee was formed to decide how to improve Second Beach and to secure the necessary state permits to do so. To that end, Shane Folsom of Folsom Design was hired to prepare a design plan and submit this design along with an application and Second Beach. This information was sent to the State for consideration this past winter and a permit was issued by the state this spring to allow for the reconstruction of Second Beach.

The Second Beach Project Committee, Ron McCracken, Bob Shockley, Chuck Wilcox, and Mark Evitts met after the June 4th Board Meeting to firm up the plan of action. It was determined that the total cost of the project will be +/- \$40,000. Drainage and aesthetics will be primary focuses. Meetings with interested contractors will be held this summer with a selection by the end of July and work to commence in October, assuming approval of the budget by the Association's members at this meeting.

It is expected that Second Beach will be gated during the winter. Signs will be placed displaying that the beach is closed during the winter and after dark.

A question was asked if both beaches would be closed at dark. The answer was that that is the plan. Some discussion was brought up about adults who sometimes have quiet gatherings after dark. The plan is to have a reasonable policy with consideration for those residents who live in close proximity of the beaches.

Another question was brought up about sledding on Second Beach being available during the winter. The answer was that this was probably not going to be safe, and that it may also cause damage to our newly designed beach.

In a discussion of unruly or disruptive behavior in the community, parents are asked to please monitor the behavior of their children. Most of us are quite aware that those who are causing disruption are not children, but are young adults having a good time. However, we ask that everyone use common sense and courtesy in regarding the others living in Hidden Valley.

Review of marina and pathway

The pathway down to the marina has been largely completed. The bottom of the steps to the dock will be completed shortly. Most likely a gangplank of some kind will be installed to bridge over the dangerous roots and rocks in this area. Railings on the stairway and a swimming ladder on the docks will also be installed.

Chuck Wilcox reported that there had been a problem with the new marina coming loose during the high winds a couple of weeks ago. That problem has been addressed, and all is well with additional weights and chains being installed (3000 lbs. of weight) to stabilize the marina. Two additional bolts will also be added to the marina where the base is connected to the concrete block on shore. Poles, cleats (attachable to the poles) and caps (for the top of the poles) are on order and they will be installed at a total cost of \$2,024.00. This will outfit a large portion of the marina to meet initial demand and if/when additional boats begin utilizing the marina we can order more to outfit the balance of the marina.

A question about the removal of the marina after the season was addressed. It will be done in the same way as before. Another question was regarding the need for grounding the metal docks. Chuck responded that he would look into that. Another Association member with an engineering background subsequently noted this was not necessary due to the proximity of the marina to the water.

Answering a question regarding how the docks are anchored, Chuck explained that there are three concrete 3000 pound blocks with hooks anchored with galvanized chain.

The pontoon boats will be assigned to the middle slips to limit stress on the docks. Chuck advises all boat owners to buy fenders for their boats for the protection of both the boats and the docks. He also feels there is plenty of boat space for the foreseeable future.

Other Recreation Business

Chuck said three 6-foot picnic tables have been ordered. One will be placed at the Overlook above the Second Beach, and two will be placed at Second Beach. He has also ordered one 8-foot picnic table for First Beach.

The seasonal porta-potties are in place.

Gail McDonnell has taken charge of canoe and kayak rack assignments. All boats must have a Hidden Valley sticker.

The Annual Picnic will be on Saturday, August 13th.

Report on Dam Project

Stan Janeczk addressed the business of the Lower Beech Pond Village District. He gave a history of the formulation of the District which began in 1986 due to the need to improve an old dam so water would be adequately retained in the pond. Built in 1986, the dam has done its job. However, during a state inspection in 2011 the surrounding earthen dam (the soil and boulder structure running from the dam and along the shoreline) was found to be deficient. The earthen part of the dam was slowly beginning to leak and the concern was it could fail. If the earthen dam failed the residents downstream would be at risk. Further, the residents on the pond and surrounding the pond would be negatively impacted by a drained pond.

In 2012, the state gave the Village District one year to fix the problem. Tim and Sarah Christian began the paperwork to have the state recognize the Village District as it had fallen off the state's radar when reporting became deficient. Stan was elected to be on the commission as was Lauren Hadley, joining the Christians. Everyone who owns property on Lower Beech Pond and in Hidden Valley is in the Village District. Residents who permanently reside (domiciled) in the Village District full time have voting rights, much like local town government. In 2014, the properties in the Village District were assessed \$.73 per hundred thousand of assessed value and \$32,000 in taxes was raised. The Village District commissioners used the funds to hire an engineering firm and a hydrology company to do initial work/studies. At the 2015 LPBVD Annual Meeting, a vote was taken to raise another \$32,000 @ \$0.93 per \$1000 of property valuation to continue work. A contractor was identified who has extensive experience in this type of work. Total cost of the reconstruction is expected to be \$156,000. A vote of the Village District was taken in June 2016 to raise \$156,000 over time from property taxes at a rate of \$.93 per hundred thousand dollars of assessed property value with proceeds going to improve the earthen dam so it has the ability to withstand a fifty-year flood. Since raising all of the funds necessary to do the work will take time (several years), a \$91,000 bank loan is being sought so the contractors can be paid when the construction work is done in the fall of 2016.

In order to complete the work on the earthen dam, **beginning on August 22nd** the pond will start to be drawn down. This is well ahead of the typical annual draw down date. This is being done early to allow the construction/repairs on the earthen dam to begin in early September. **The marina will be removed in mid to late August due to the draw down. Please remove boats by mid-August from the marina so it can be removed.**

Association members should be aware of the early draw down of the pond so they can address the impact lower water will have. For instance, floating docks and larger boats may be difficult to remove with lower than normal water levels in late August or early September.

Property owners in the Village District will continue to be taxed until the dam loan has been repaid. A small amount of funds will also be needed to maintain the dam on an ongoing basis. A gate for safety will be installed over the dam as part of the project.

Once the dam is complete, the water will be brought back to its historical level of 1 ½ feet from the top of the abutment. This is expected to increase the pond level approximately 8-10 inches above the water level today, July 2nd 2016.

Treasurer's Report

Dave Sharp, HVPOA Treasurer, distributed his budget report (see Attached).

Dues

Dues have not been raised since 2004. Dues have been kept low because we have not spent money on improving the Association's assets in many years. In the interest of improving the common areas to keep Hidden Valley a desirable place to own property, it will be necessary to raise the dues to maintain and sustain common area assets. After much discussion over two meetings, the board has agreed that dues should be brought back up to somewhere in the \$650 to \$700 range over a 1-2 year period. The final timing and amount will be determined well before next year's annual meeting.

An increase is necessary and prudent in that it will provide the Association with the funds to address deferred maintenance. In doing so it is also the Board's intended objective to avoid special assessments to meet capital needs in the future.

Before next year's annual meeting, property owners will be notified as to the amount the dues will increase well before the bills go out in June 2017.

A question was asked regarding delinquent HVPOA dues. Dave said we have \$15,000 in unpaid dues at this time concentrated among a small group of Association members. Some owners have been sued and the Association has typically won. Several properties have had liens placed on them. When the properties are ultimately sold, the dues and accrued interest is usually paid.

In answer to another how many properties comprise the Association, Dave stated we have 155 property owners, including parcels of land with no houses on them.

One member asked why we can't we raise dues this year. It was explained proper notice must be given. A comment was made that it would be fiscally irresponsible to approve a budget that is underfunded, not to mention that the association now must pay the property taxes on the common areas.

Dave and the Board feel that we will be able to meet our costs this year, particularly with the deferral of typical road work.

Issues related to public access to Lower Beech Pond

Mark Evitts briefly reviewed the issues, discussed at our June 4th Board meeting related to boat access to Lower Beech Pond at Brown Road.

There is no public access to Lower Beech Pond; however, Ted and Carol Steinman have graciously permitted the use of their land where it meets the bridge on Brown Road. Initially small crafts such as kayaks and canoes were carried in and originally the bank leading to the pond was heavily vegetated and the occasional fishermen, kayaker, etc. would enter and exit the pond carrying his/her canoe or small boats.

Gradually the amount of recreational users entering the pond increased largely to pursue the trout being stocked in the pond in the late 90s by the State of NH. Over time larger boats began to be trailered into the pond and the bank became a boat ramp, something it was never intended to become. Backing trailers into the pond and launching larger boats increases the potential for a Milfoil infestation. This unintended usage has also led to

increased deterioration of the vegetation, compression of the soil and dramatic sloping of the bank which has increased road runoff into the pond.

Mark Evitts suggested setting aside \$10,000 to cover the cost of a solution plan developed together with the Steinmans. Concern was expressed by several Association members about spending HVPOA funds on private land. There was also a discussion about approaching the Town Selectmen for assistance in protecting the pond the Association's most vital asset. Failure to do so could negatively impact the roughly \$52,000,000 of assessed real estate value that is located in the Village District.

Once Mark gave his overview, he stressed that this problem affects everyone.

There were questions and comments regarding HVPOA's involvement and spending its resources on private property. There were several people who felt that we shouldn't use our dues in this manner. Others expressed more concern over the threat to our pond. People also talked of the devastation milfoil has created at other New Hampshire waterbodies and the subsequent cost of controlling it once it is introduced to a waterbody. Mark held up the current edition of the Granite State News and cited an article about Milfoil harvesting in Tuftonboro on Lake Winnepesaukee. After debate Mark made an impromptu suggestion that we take a vote to get a sense of how many Association Members were in agreement that we should spend no more than \$10,000 to install a guardrail and build up the shoulder of the road along the Steinman's property to reduce the threats of Milfoil and road runoff at the Brown Road access point. A vote was taken and a substantial majority of those in attendance voted in favor of spending up to \$10,000 on the project after exploring potential funding from the Town of Tuftonboro. Mark will continue to work with the town and the Steinmans to try and keep our cost in this project to a minimum. David Smith agreed to visit the town and also seek their financial assistance with the project. He pointed out that HVPOA pays substantial taxes to the town but receives little in return in the way of services and that it seemed appropriate that the town should help in this project.

Post Annual Meeting—Pond Access Issue Update

Several days after the Annual Meeting, Mark Evitts was contacted by an Association Member who had been in opposition to spending HVPOA funds on the Brown Road Access project. She had questions regarding the vote which were clarified. While she did not wish to disqualify the vote she requested that future votes be put on ballots and that Association Members registering at annual meetings be allowed only one vote per family. She also volunteered to register voters as they entered the meeting hall starting next year. Mark agreed this was a good idea to avoid confusion on a go forward basis.

A Board member, also in opposition to spending funds on the Steinman's land, contacted Mark Evitts subsequent to the meeting and expressed similar concerns to those voiced above. However, he plans to request a legal opinion at the next meeting regarding spending HVPOA funds on private land. He also feels the vote is invalid because proper protocol wasn't followed and vowed to continue his opposition to the project.

David Smith met with Carolyn Sundquist, the Chairman of Tuftonboro's Board of Selectman, the week after the annual meeting and requested assistance from the town for the project. The request was well received and it appears that the town may be able to provide assistance with the project. An update is expected to be available at the August 27th, 2016 HVPOA Board Meeting.

Several concerned Association Members and their families agreed to work with Ted and Carol Steinman to personally fund the initial portion of the Brown Road access project while the matter is discussed further.

Fish and Game

The State began stocking our pond with brown and rainbow trout in the late 90s. Over the intervening years it appears the voracious trout have virtually eliminated the wide variety of native fish species (Sunfish, Perch, Catfish and Pickerel) from the pond. In addition to the sharp reduction in the aforementioned species, Loons no longer nest on the pond and they don't seem to visit the pond frequently. It is possible that the sharp reduction in Perch and Sunfish (Loons' primary food source) have caused them to move to other more favorable bodies of water that hold more food sources. The State visited Lower Beech Pond and collected data with an electromagnetic boat the evening of June 30, 2016. This involved shocking the fish along the shore of the pond to collect data on warm water species, their sizes, numbers, etc. The focus was on the warm water species that congregate along the shoreline after dark.

Mark suggests that we meet with the state after its upcoming fish study to determine the best course of action regarding trout stocking.

Director's Reports

HVPOA Road committee report for year 2015-2016: Ron McCracken

Road Paving:

Last fall we re-claimed, re-paved and widened Valley Road from just past Paul Dubec's house to the intersection with Ridge road. (675 ft.).

The major work was done at the intersection of Ridge, consisting of straightening the roadway, widening it from 12 to 17ft (actually more at the corner) and providing a better sightline for oncoming traffic. This work required blasting the ledge at the corner.

Major Work:

See Road Paving

Tree Trimming:

No overhead tree trimming was done this year, however, ice storms left many branches and trees down that had to be removed and chipped up. Our tree trimmer has retired. We will be looking for someone else to do this in the future.

Fall Maintenance:

Think cleaning culverts.

Winter Maintenance:

We brought sand barrels back this year, 3 in total, all on Valley Road.

Sweeping:

Sweeping was done in mid-May and even with a rate increase, the cost came in at \$750 (vs. \$870 last year).

Thanks to Ray Graham for taking the sand.

Roadside Mowing:

Mower has retired. We need to find someone else to do this work.

Speed Bumps:

Undecided as to paint or not. They seem to be in pretty good shape so I'll let the board decide.

***** For the upcoming year *****

We need to target the beaches this year, if any dollars are left over I will gladly spend them on the roadways.

Recreation: Recreation was discussed in regular agenda.

Environmental Report: Jim Minieri (see attached report)

Jim reported that there were two water samplings taken in 2015. The report from DES reveals that the numbers fall in the same range as in the past. Lower Beech Pond water quality is in the top range for NH lakes. Jim commented that we want to keep our pond that way and echoed that we must keep larger boats out to protect it from threat of milfoil infestation. He also feels it is important to pay close attention to the run-off at Brown road and from other steep slopes.

It was recognized that the only area of some concern is PH level which has risen somewhat but not to a notable degree. This will continue to be an area of focus. The environmental team will host the one of the State's biologists in August for annual lake testing.

Need for Nomination Committee

David Smith again stressed the need for a nomination committee.

If anyone is interested in serving on the Board, call David at 569-4623

Heightened concern of appearance of some properties

David Smith reported that, the Town Code and Health Officer reports they are unable to act on the life-style choices of some of our residents, but will take legal action at properties where there are unregistered vehicles, which are in clear violation town ordinances.

We can only Renew our appeal that we together with All of our neighbors keep our home sites and lots as presentable as possible, and in doing so consider the surrounding neighbors whose quality of life and property values are negatively impacted where care is not taken to do so.

LRWC Rate Case Status

David Smith comments:

The Indian Mound System (One of approximately 17 systems similar to Hidden Valley that comprise LRWC's customer base) has an attorney among its members who is working to contest the rate increase. Thus, we finally have an active partner in the rate case dispute. We are assisting them with our concerns regarding LRWC's practices over the last decade that we feel heavily impact current considerations. Due to the intense pressure that HVPOA has placed upon LRWC by participating at PUC and DES meetings in conjunction with working with Indian Mound, we have been led to believe that the final rate decision expected from the PUC in October will be significantly below the 38.9% annual rate increase initially sought by LRWC.

Recognition of Hidden Valley Resident Volunteers

Although this did not get mentioned at the annual Association Meeting, I would like to include the below information for our HVPOA members which was discussed at the prior HVPOA board meeting:

Mark Evitts offered a resolution, which received immediate and enthusiastic concurrence from other board members, to recognize Eedee Dopp for the wonderful job she has done over the past years beautifying the Valley for all of us with her spectacular flowers! She has also volunteered to help secretary Janice Michaud maintain a database of all HVPOA members. Thirdly, she has been voluntarily distributing a very helpful welcome packet to our new neighbors. If you are a new neighbor, or know of one, please let Eedee know so she can present our welcome packet.

Another critical volunteer working for HVPOA behind the scenes is Joanne Crowe who has kept our Hidden Valley website updated. This job takes hours of time and patience. Joanne is also always willing to help welcome new members and keep our secretary apprised of issues that arise in our community so they may be addressed quickly and efficiently.

Thanks to both Eedee and Joanne for the service they have provided our community!

Attendance:

Attached is a listing of the HVPOA members who attended today's Annual Meeting.

Next Scheduled Board Meeting: Saturday, August 27, 2016 at 9:00 AM at the Tuftonboro Town House on Route 109A

Adjournment: There being no additional agenda items, the annual HVPOA meeting adjourned at 12.20

Board Meeting following Annual Meeting

The main order of business was to nominate someone to replace President David Smith. David nominated Mark Evitts as our new President. Tom MacPhail was nominated to be Vice President. Both were elected to the new positions.

Mark reported that Pam and Bill Whelton and Tara Kelly expressed initial interest in serving on the Board.

There being no other business, the meeting was adjourned.

Prepared by Janice Michaud