

HNOA ANNUAL MEETING

AUGUST 13, 2011

The meeting was called to order at the Neskowin Fire Hall at 1:30pm by President John Metschan. Other Board members present were Margaret Russell, Bob Simonson, and Kathi Swanson. Treasurer Jeff Wiles was not able to attend. After the President introduced Board members, he also introduced new residents of the HON, welcoming them to the neighborhood. New neighbors are Doug and Deborah Millican, who purchased the Disney home (Lot 35), and Jim and Rose Blasius who purchased the Sluman home (Lot 62). The President stated that this year three Board positions are open and current Board members John Metschan, Jeff Wiles, and Margaret Russell are running for reelection. Additionally, two more owners have come forward to serve on the Board, Linda Lucero and David Richardson. The President introduced candidate Linda Lucero, who was present.

The President reviewed the Board of Directors' Annual Report 2011, which was sent to all owners in the Annual Meeting notice packet. John highlighted projects undertaken during the past year, noting however that the project to replace the culvert under the Kennedy/Lincoln driveway (Lot 30) has still not been completed. The Board approved this project, but decided not to spend the funds for the repair at this time, due to concerns about the HONA ongoing legal expenses.

The President updated owners on the status of the Pappa vs. Van Roekels vs. HNOA lawsuit and said the Association has presented our plan for reimbursement to the Tillamook County Court. Additionally, we have asked that recently retired Judge Roll, who has heard the entire case, hear this matter when it comes to Court again on August 25, 2011. Resident Jean Cameron asked the President if legal expenses incurred by the HONA in this matter still stand at \$29,578 as stated in the Financial Summary. The President said that the HONA has incurred some additional legal fees since this statement was completed. The President reported that if the HONA can recoup the funds we have spent on this legal matter the financial status of the Association will be OK. If not, it may be necessary for a Special Assessment for funding road upkeep in the HON.

John Metschan reviewed that one year ago the Board asked a contractor to assess the condition of the roads in our development and provide options for future maintenance needs. The contractor presented the Board with three options and indicated there was not immediate need to undertake any maintenance at that time. The HONA has had adequate reserves to maintain the roads, but the ongoing legal expenses have depleted these reserves. The President further noted that the HONA has sufficient funds to take us to the next dues cycle in January 2012.

John summarized that the legal matters the HONA has been facing have taken a very long time to settle, but hopefully they will be resolved in Court on August 25, 2011 at 10 am at the Tillamook County Court House. In response to a question from a home owner, he advised that this Hearing is open to anyone interested.

Owner Ron Wojtowicz asked a question about the Master Plan, completed in the past year, noting the \$2,586 cost listed on the financial summary. He said he had observed some errors on the plan regarding setbacks of completed structures and wondered if some corrections could still be made to the plan. This plan is posted on the HONA web site for owners' review. The President stated that Tom Golden will make corrections to the document of any noted errors.

The President explained to homeowners that past Board member Jean Cameron, upon leaving the Board in August 2010, had volunteered to be a liaison between the Board and our landscapers, Bros and Hoes. Over the past year she has monitored the work they have been completing in the HONA, resulting in better results on maintenance and decreased costs.

At this point in the meeting the President asked that all ballots be turned in to be tallied, along with those ballots received by mail. Residents Mr. and Mrs. Bob Wilson volunteered to count the ballots while the meeting proceeded.

Owner Jim Stein asked if any other owners of homes in the HON had experienced that the costs of the Insurance coverage on their homes here had recently increased significantly. He wondered what others had experienced and how this problem might perhaps be resolved. Kathi Swanson explained that they had also recently received a very large premium increase on their policy renewal and expected that others might be having the same issue at renewal time. She explained she learned from their insurance company that many companies had recently reevaluated their ISO rating on the Neskowin Rural Fire District from a 6 to a 10 rating. By contacting the local Fire Chief Kris Weiland the Swansons' insurer was able to obtain additional information, resulting in their fire protection class being reduced back to a 6, with a much lower premium. Mr. Metschan and Mr. Wojtowicz, both volunteers with the local Fire Department, further explained how the ISO rating system looks at the need for four firefighters to respond to fire incidents. They also take into consideration how many firefighters are on duty at the Station through the night. Residents were encouraged to follow up with their insurers.

With Fire protection issues being discussed, resident Richard Harles stated he was concerned that the lot next to their home was very overgrown with vegetation. During the dry summer months he felt this presented a fire danger to the surrounding homes. He reported that in the past he has written to the owner asking him to clear and maintain the lot, but his efforts have resulted in a negative response. The Board has encouraged owners to contact neighbors directly with these issues. Mr. Harles asked what should be done when the owner is not responsive.

The President reported that Lot 7 had many volunteer alders that were growing on the hillside sloping down to the trees. The alders were intruding into the drainage ditch and could eventually compromise the drainage, road, and uphill views. Board member Bob Simonson contacted the lot owner explaining this problem and the owner had all these volunteer trees removed.

The meeting proceeded to Open Forum and Ron Wojtowicz announced that the Neskowin Fire Department will be presenting an Emergency Preparedness class, focusing on preparing for events such as our recent Tsunami warning. Neal Marquis will be giving this presentation and when a date is set Mr. Wojtowicz will get the information posted on our web site. The class will highlight the importance of setting up Emergency Response Teams to respond to disasters in our neighborhoods. The President reported that the Neskowin Volunteer Firefighters were involved in going door to door in Neskowin during the Tsunami warning and advised people of the need to evacuate. He stated that some owners do not watch TV and weren't aware of the warning of possible danger in low lying coastal areas.

Owner Jean Cameron asked if the Neskowin Fire Station on Hiway 101 would be a staging center for any disaster or emergency. She was concerned that because the Station is in a low lying area it might not be accessible, should there be large ocean surge. John Metschan reported that Neskowin is not the primary communication center of the Nestucca Rural Fire Department and in a disaster they would resort to mobile communication model to deal with problems.

President Metschan announced that the ballots for Election of Board members had been tallied, with 33 ballots received. He reported that Board members Jeff Wiles and John Metschan had been reelected and that Linda Lucero would be joining the Board. The President thanked Margaret Russell for serving as a Board Member over these past two years. The meeting was then adjourned for neighbors to visit and enjoy coffee and cookies.

Respectfully Submitted,

Kathi Swanson