

MINUTES OF BOARD MEETING – SUNDAY, APRIL 25, 2010

The meeting was convened at 12:00 p.m. at the Metschan residence. Present were John Metschan, Jean Cameron, and Kathi Swanson. Jeff Wiles participated via speaker phone. Margaret Russell did not attend.

Treasurer Jeff Wiles reported that all but one owner have paid their annual HNOA dues. Jeff has sent several reminder letters to the one outstanding owner and will now send a certified, return receipt requested notice to that resident asking that the bill be paid promptly.

President Metschan stated he was unhappy to report that Judge Roll had yet to issue his decision regarding Pappas' reimbursement of the VanRoekels' legal expenses. Neither has there been any action taken to obtain a Limited Judgment for the HNOA. The Pappas' attorney asked for a detailed explanation of the Judge's decision. The Judge is apparently still be working on this explanation. The Attorney for the HNOA was waiting for a ruling from this Hearing before submitting an independent Judgment request on behalf of the HNOA. However, we have been waiting almost three months to resolve this matter. Jeff Wiles stated that the legal fees for the HNOA regarding the Pappa matter now total nearly \$14,000. President Metschan will again follow up with our attorney and request that she immediately proceed to recover our legal expenses from the Pappas or obtain a Limited Judgment to the same effect. Jeff Wiles suggested that when these legal matters are resolved the Board may want to have a review of the legal services the HNOA has received over the past several years.

Jeff Wiles also reported that the HNOA legal fees that were reimbursed from the Wojtowicz lawsuit were deposited to the HNOA checking account. The Treasurer reported we have approximately \$18,562 balance in the checking account and about \$13,000 in CD's. The HNOA operating expenses, less legal fees, is around \$8,000 per year. Jeff said we are in pretty good financial shape right now and thinks some of the surplus in the checking account can be transferred to a CD. Jean noted that HNOA dues received pretty well cover our expenses for 2010. Jeff will provide an updated summary of all funds in accounts and expenses and the Board can then make decisions regarding any transfer of funds to a CD.

The President stated that the Luhrings, owners of Lot #51, will soon begin construction on their lot. The past approval of their plans to build sparked the lawsuit filed by the Wojtowicz. Now that the lawsuit has been withdrawn and resolved the Luhrings intend to proceed with their plans to build. Due to the legal matters their approved plans were not acted on within twelve months as required by the CC&Rs. John will inform the Luhrings that the original plan approval has been extended.

The Van Roekels have asked the HNOA Board for a Certificate of Estoppel. This will satisfy the owners, lenders, and others concerned that the house has been constructed in accordance with the plans as they were approved. John will also ask a surveyor to certify that the Van Roekel home does not exceed the height limitation that was subject to the Court Order. John is seeking legal counsel regarding this request, and will draft a letter from the Board and have it reviewed before submitting it.

John Metschan reported that Margaret Russell, owner of Lot #2, recently submitted plans for approval. The owners of Lot #3 believe the positioning proposed for the home on Lot #2 compromises their primary view, as it is directly in their view corridor. Lot #2 has adequate room to the south end of the lot to site the house, thus retaining the quality of the view from Lot #3. The DRC advised the owner of Lot #2 that the house needs to be sited as far south on the lot as practical. The owner of Lot #3 indicated that the HNOA developer's original intent was to site the house on Lot #2 to the south to preserve a view on Lot

#3. The owner of Lot #2 said they will take these suggestions into consideration to come up with alternate siting of the house.

The Board proceeded with discussion of the challenging decisions ahead for the DRC, as homes are developed on some of the remaining lots that may have minimal or compromised view corridors. The Board is anxious to prevent future legal disputes. The Board agreed it may be beneficial at this time to seek consultation from an expert regarding optimal siting for homes on the remaining undeveloped lots. This in order to minimize opportunities for conflict over approval of plans by the DRC. Kathi Swanson suggested that the Board consult with designer Tom Golden of Otis. He has expertise in home development and siting, taking into consideration the surrounding lots, homes, view corridors, county septic restrictions, and other county regulations. Tom Golden has a history of working with Fred Butterfield during the original development stages of the HON and is aware of the importance of positioning homes on lots to preserve views for all owners. The Board agreed that the President should to seek quotations for such services from Mr. Golden and others similarly qualified. The Board sees this strategy as a preventative measure to avoid additional lawsuits and contentious situations. The President will report back to the Board after getting a quote from Mr. Golden.

The Board also discussed process, procedure, and record keeping for the Board and the DRC. It has become apparent that the HNOA would benefit from a more professional system for maintaining documents, related to approval of building plans. Since DRC decisions have recently resulted in legal actions, it is important to permanently maintain complete and well organized records. The Board will explore various options for record storage, and inquire how other home owner associations maintain their records over extended periods.

The Board set the HNOA Annual Homeowners Association meeting for Saturday, August 21, 2010, at the Neskowin Fire Hall. Two Board positions will be up for election this year and nominees will be sought to run for Board positions.

Jean Cameron noted that the noxious weed Scotch Broom is again blossoming on a number of lots. Notices to homeowners in the past have helped eliminate some of the growth, but it is an ongoing battle. Owners will again be alerted to remove Scotch Bloom from their lots before it spreads.

The meeting was adjourned at 1:30 p. m. .

Respectfully Submitted,

Kathi Swanson

Secretary, Board of Directors
Hills of Neskowin Homeowner's Association

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