

Minutes of Board Meeting of Saturday Aug. 30, 2008.

Present at the meeting were John Metschan, Jeff Wiles, Bob Wilson, and Kathi Swanson. Patrick Easton did not attend.

The Board reviewed and approved the minutes of the Annual Homeowners' Meeting held on 8/16/08. They also approved the minutes from the brief meeting of the new Board held immediately following the Homeowners' Meeting.

There was follow up discussion regarding the concerns/issues the Bingers and Wojtowiczs submitted at the Annual Meeting. Jeff Wiles summarized that the issues generally fall into four categories: 1. Protecting views/Design Review Comm. 2. Enforcement of CC&R's 3. Composition and representation on the Board and Design Review Comm. and 4. Communication -- keeping all owners informed of meetings, issues, minutes, etc.. The Board President will summarize Board discussion of these issues and provide feedback/information on how the Board can respond. He will inform owners the Board is in process of establishing a Website that can be used to enhance more open communication. All owners are encouraged to provide their email, otherwise they will be able to refer to the Website.

The Board needs to transfer the accounts at the Bank of the West from previous signers, Dan Kennedy -Pres. and Tim Castille -Treas.. The bank requires a Corporate Resolution relieving Kennedy/Castille. The Board resolved that Kennedy/Castille be removed as signers of accounts at Bank of the West and that they be replaced by John Metschan-Pres. and Jeff Wiles- Treas.. The signatures must be done at the Bank. Jeff has already made plans to meet with the outgoing treasurer Tim to be briefed on and receive the files, documentation, etc..

Board President stated that Francey Elliot has agreed to be the point person for the HNOA Website once it is established. She has asked Vicky Wojtowitz to assist her. Jeff updated the Board on his progress setting up a Website and he has registration for www.HillsofNeskowin. We need to be aware that with website anyone could have access unless we have it password protected. Board discussed need for basic password. Monthly cost for site will be \$10-\$20 or approx. \$180 per year. Website will cut down on mailing expenses of newsletters, annual report, notices, etc.. Historically, Board minutes have not been sent out to homeowners and these could be posted on the website thus improving communication.

At the Annual Meeting about 22 homeowners provided their email addresses on list that was passed around. The Board discussed request from two homeowners for updated rosters of all owners. Board feels that all owners should be provided with list to improve communication. Once we obtain more

emails of owners we can ask if they are OK with their emails being listed on the HNOA roster. The Board will attempt to contact owners who have not provided their email address to create a more comprehensive list.

President made report from the Design Review Comm. about the current Van Roekel -lot #12 and Pappa -lot#12 issue. Past President Dan Kennedy had agreed to elevate this design request issue from the DRC to the Board level for resolution. The Pappas have contacted attorneys who have been in touch with the Assoc., and the Board in turn has contacted our counsel. The Pappas believe their primary ocean view is being compromised by development of lot #12. Lot #12 has approved plans and a building permit, but they have delayed action pending resolution of the Pappa's objections. The plan is that the counsels for the Pappas and the Assoc., the owners of lots #12 and #14, and two DRC members will meet at the Pappa's home on 9/3/08. The DRC members will be John Metschan and Gerry Sluman. Purpose of the meeting is to view a pole erected by a licensed surveyor representing the top of the ridgeline of the roof on the planned home. It is hoped at the conclusion of this meeting the issues will be resolved. The current members of the DRC are John Metschan, Luciano Monetti, and Gerry Sluman.

Board President has received email from Dean Elliot with concerns about the proposed subdivision of lot #6. This issue was brought up during the Homeowners' meeting. Dean is concerned that subdivision of any lot would invite subdivision of other lots. John Metschan said his conversation about this matter with those knowledgeable about the issue believe the CCR's as they exist are silent in regards to subdividing. If an owner satisfies the County requirements for subdivision, then the Assoc. could not stand in the way.

The Board discussed above matter. Remedy would be a motion to change the CCR'S to prohibit subdividing the lots. Board believes that many other homeowners would be opposed to additional lots subdividing. The Board will explore seeking an amendment that would lower majority vote by homeowners being lowered from 75% to 60%. In past it has been difficult to get 75% of owners to vote on issues. Jeff Wiles moved to investigate the lowering of the majority required to take action/change the CCR'S. Board approved the motion. The Board has resolved to seek an amendment to the CCR's lowering the voting requirement to between 2/3 and 60%. President will follow up with legal counsel for Assoc. regarding an opinion about the possibility of changing the required 75%.

The meeting was adjourned.