

Cuckoo's Nest Association

Board of Directors Meeting Minutes

October 6, 2018

Meeting called to order by John Decker at 10:03am.

BOD members present: Lorenda (Pres), Eddie, Paul, John (Sec), Larry, Pete, Carl (VP), Kathi (Treas), Dutch

There were 3 additional lot owners represented from the community.

Treasurer's report (Kathi)

- Transition between Paul & Kathi went well & is complete.
- Review of Sep expenditures, deposits, & balances.
- Review of Bank CDs and totals.
 - Kathi proposed a split of 24 mo & 60 mo for 2 CDs. After discussion of pros & cons, all agreed to this laddering. Additional CD maturing in Oct will be done at 24 mo.

Action items: Kathi to purchase the 3 CDs as agreed.

Common Area report (Pete)

- LALC has agreed to add more rip rap and cut down brush in the vicinity of the covered boat house. LALC has also agreed to ask the members of the Boat House Association to stop driving and parking outside of designated areas.
- Grill for CA1 not installed yet, but a spot has been identified. Larry volunteered to install.

Action Items: Larry to coordinate with Pete to install grill in CA1.

Covenant Violations Team Report

- No items to review.

Gate Requirements Team (Larry)

Note: Meeting rules were suspended during this item to allow relevant member questions. Questions asked concerned how info on requirements were gathered as well as why 1 bid was excluded

- Status of outstanding bids.
 - 2 vendors have provided updated bids based on the refined requirements. Refined requirements were based on solicited community input received as well as 4 BOD team members who identified what they believed to be important.
 - 1 vendor who submitted an initial bid has not returned 2 phone calls attempting to obtain updated bid. No further calls from CNA will be made.
 - 1 vendor was deemed unacceptable based on the original bid specifically identifying no warrantee on workmanship or materials.
- Status of electric service
 - Paperwork from Rappahannock Electric on installation of service in CA1 & CA2 has been received. Pete to coordinate with John & Paul for signature and Notary.
 - Structure (post & hanger) to be installed in each common area to hold meter. Pete & Larry to install.

Action Item: Pete will coordinate with John & Paul for signature & notarization of installation paperwork. Pete & Larry to install meter structure in CA1 & CA2 to coincide with Rappahannock Electric schedule.

Old Business

- Reserve Study status
 - Draft received and multiple errors identified with duplication of items as well as inconsistent life spans for items.
 - Draft v2 received with only minor errors in life span items.
 - The report shows a previously unidentified deficit in annual funding in order to properly replace the docks at the end of their lifespan.
(See dock replacement agenda item for specifics)

- Eddie directed to pass on additional corrections identified in the meeting and accept the final version of the report.

Action Item: Eddie to follow-up with ETC to obtain final corrected report.

Invoice provided to Kathi for payment.

- Status of motion from Annual meeting

“for the Board to obtain specific alternatives and estimates for gate options to be presented by the end of August for review by all interested Association members at the following board meeting in September as well as in the Fall newsletter”

- Motion is complete with the exception of publication of info in the November newsletter. It is expected that a final decision and course of action will be available to be published by then.

Action Items: John to keep motion item on the agenda until completion.

Lorenda to include most current gate information in November newsletter.

- Review of current gate proposals

Note: Meeting rules were suspended during this item to allow relevant member questions. Questions asked concerned how info on access methods as well as concerns for cost of options being considered

- There was a review of various access methods proposed from vendors and what would work best for our members.
- Updated requirements specify an electrically operated gate with a controlled access & egress method by card, key fob, decal, etc.
- LALC has been approached to provide a contribution for gate purchase.
- It was noted that there was no money available in the 2018 budget for expenditure on a significant gate upgrade.
- Decision on which access method would be best for our use was tabled until the November meeting.

Action Item: Pete & Carl to follow up with LALC regarding contribution towards gate purchase.

- Dock Replacement Discussion

- Discussed various pros & cons of what pier and slip replacement would/could be done. John to provide updated list for further discussion.
- Discussed inconsistent wording, verbal understandings from the developer, and documentation that members do and do not have regarding their lease on slips.
- Motion made by John, seconded by Larry, for CNA to assume financial responsibility for all original 7 piers, including finger piers & slips, but not including any member-owned equipment such as lifts, battery chargers, cleats, etc. Motion passed 9-0-0.

Action Item: John to provide updated pros & cons list for further discussion on how to proceed with dock replacement when required.

- Annual Dues Discussion
 - New Reserve study reviewed that shows funding deficit going forward to replace existing docks & finger piers. Annual deficit amount projected is \$8,200 annually which breaks down to \$49.69 per member (165 current lot owners).
 - Discussion about how much dues needed to be increased in order to properly fund repair/replacement of current & projected assets.
 - Motion made by John, seconded by Eddie, to raise the annual dues by \$50 per lot to \$250 annually. Vote passed 8-1-0 .
 - November newsletter to provide notice of increase as well as detail describing why it is necessary.

Action Item: John to provide draft of November newsletter to Lorenda & BOD members prior to the November meeting.

Action Items Completed:

- Observe other community gate options.
- Notified State Corporation Commission of change in officers.
- Closed item on email to legal consul regarding boat slip question.

- Dues template modified to reflect that cash is not acceptable and there will be a \$50 charge for any returned checks.
- Kathi has been added as a signatory for all accounts and CDs.
- Best interest rate for CDs identified.
- Parking & rip rap discussion has been held with LALC.
- Made second attempt to obtain rebid on gate proposal from missing vendor. No return call. No further attempts will be made.
- Obtained draft of Reserve Study.
- Updated BOD calendar.
- BOD calendar posted to website.

New Business

None

Member comments:

- Rules were suspended for discussion of the proposed common area gates. See the Gate Requirements Team Report as well as the Review of Current Gate Proposals items for comments and discussion.
- A member presented a document with 3 proposed amendments to the CNA By-Laws (Article VI Section 2) referencing Article X and requested it be submitted to the entire membership for a vote. He indicated at the end of the document that the rule changes had the support of “other HOA members”, but no quantity, signatures, or other documentation was provided. Article X requires notice of proposed rule changes to the Board of Directors not less than 20 days prior to when the proposed items will be considered. Article X does not discuss any process or requirement for proposed rule changes to be submitted by an individual to the membership. The board voted 9-0-0 to accept the document and schedule a BOD vote on it at the November meeting. A summary of the proposed rule changes are listed below for review by any

member interested in attending the November meeting to discuss them prior to the BOD vote.

- BOD may not have the authority to raise annual dues more than 15% per year. If an increase over 15% is required, it must be supported by detailed justification and presented to the membership for a majority vote.
- Limit the BODs authority to authorize a special assessment over \$7,500 without an approval by the majority of members.
- Any expenditure outside of the approved annual budget must be voted on and approved by the majority of members.

Action Item: John will add the BOD vote for the proposed amendments to the November BOD meeting agenda.

Meeting was adjourned at 12:04pm

Admin Item: Next meeting November 3rd at 10:00am. Tentatively scheduled for Common Area 2. If inclement weather is forecast, final location will be posted 7 days prior with the agenda.