

High Lostine Owners' Association (HLOA)
Minutes of the Annual Meeting of Members
April 14, 2018

The annual meeting of the members of the HLOA was called to order by President Ron Polk at the Presbyterian Church in Lostine, Oregon, at 1:08 p.m. on Saturday, April 14, 2018. The quorum requirement was met with 22 people in attendance, representing 18 of 32 memberships and 23 of 37 lots. Two were represented by proxy. (See attached sign-in sheet and proxies.) Members introduced themselves.

Association Reports

Secretary's Report and Treasurer's Report

Nancy Clarke identified the materials that were distributed by mail and on site. She requested that owners update their contact information on the appropriate sheet, especially email addresses because this saves the Association mailing costs.

Committee Reports

Architectural Control Committee (ACC)

Rick Welch reported the committee has approved two applications since the last annual meeting, one for a remodel and one for new construction. At the request of an owner, the Committee recommended and the Board approved a clarification that the HLOA setback requirements, which are deeper than county regulations, do not apply to boundaries with non-HLOA property, e.g. the US Forest Service. Rick reminded everyone that ACC approval is required for all improvements on property, and procedures are available on the HLOA website.

Website www.HighLostine.com

Fred Brockman asked owners for input regarding the HLOA website because we will have to take action, and probably expend funds, to move to a new internet platform by November. Owners reported limited but very worthwhile use of the site. Owners with extended families have used it. Members value the water committee transparency via the website. If the expense is not too great, it should be continued. Jim Dameron volunteered to become the webmaster and oversee the transition.

Weed Committee

Jim Dameron reported that the county's program for 50% reimbursement for weed reduction costs is still in effect. A new second program offers 100% reimbursement for lots that border the Lostine River. Targeted weeds for our area remain knapweed and hawkweed. Call county agent Ryan Oberhelman 541-426-4543 to get forms for reimbursement and a list of contractors. The HLOA uses Heath Naughton 541-263-2965 for weed treatment on our easements. Some people are using biological treatments and will share their experience. HLOA owners need to remain vigilant about weed treatment, especially absentee owners.

CC&Rs and Bylaws Revision

Bobbie Bull provided a brief history of the HLOA members' work to make the Covenants, Conditions and Restrictions (CC&Rs) more functional. The "**Companion Document**" was adopted by the Board in April, 2017, and was distributed electronically to the membership last summer. Several of the pending issues have been moved forward and new ones added including:

- Board procedures for voting by email
- Creation of the Fire Preparedness Committee
- Setbacks for boundaries with non-HLOA property
- Procedures for communicating with members
- Payment responsibility for broken water meter replacements

Particularly important: the Board has adopted the following interpretation of CC&R 10.5.2

Pack animals (e.g., horses, mules, lamas, etc) are not allowed to be kept or raised within the High Lostine, either on a temporary or permanent basis. An exception may be made for the single current owner who was raising pack animals at the time the CC&Rs were adopted in 1995. The Board may

adopt further provisions regarding how this single owner's pack animals may be managed, permanently and temporarily, if it becomes relevant. These provisions will be consistent with the original recommendations of the CC&R revision committee.

The Board has assigned responsibility for developing recommendations regarding a number of other issues and work will progress. The document will be distributed electronically to members and available on the new website in the fall.

Water System Liaisons

Bobbie reported we now have 12 connections serving 21 full time residents, and 13 connections serving 22 part time residents. (Thresholds for coming under federal regulation are >14 connections and/or >24 full time residents.) Our water samples have had all negative results this year (negative= nothing bad detected). The committee read the meters last week for billing purposes. Bobbie reminded members that the Water Committee members put in many hundreds of hours of effort and we are indebted to them. She encouraged new people to become trained by attending free education on May 10th in Pendleton, because we need new and younger people to help with taking water samples four times per year and to help with water operations and maintenance.

Water Committee

Fred distributed multiple reports and highlighted the following information:

- Financial Performance. It was a rough year (following two great years). Spending was \$4600 over budget due to five major unanticipated repairs totaling \$7000. We are only \$900 ahead of last year in accruing money in our reserve account (plus a new \$5000 anonymous donation!). Five approved projects were implemented. Our system is aging and has deficiencies relative to a municipal system so we should expect we will have difficult periods such as this one.
- Long-term planning. As requested by the membership, the Committee is putting finishing touches on a 30-year plan. *The purposes of the plan are to document how the water system is managed, and to provide long-term planning that ensures the water system has adequate resources to maintain, operate, and improve the water system.* It includes sections on a description of the water system, financial structure and budget process, detailed descriptions of anticipated future needs to understand long-term costs, and a roadmap of future needs in order to identify an appropriately-sized reserve fund and an appropriately-sized annual contribution to the reserve fund. The committee used a PhD hydrologist and hired experts for review. Some highlights:
 - Assuming the same rate of growth as the last 10 years, in 20 years we will need approximately two and a half times more water and, based on monitoring water levels in the well over the last year, the well will PROBABLY be sufficient. We will continue monitoring of the well, especially in low snow years, because that is when we are most vulnerable. We need an automated data collection system.
 - The committee reviewed the need for a second well, concluded the risk was fairly low, and postponed pursuit of this for now.
 - The committee determined the price for a second tank is just too high to justify at this time.
 - The committee determined that our 40 year old pipe is not adequate at the bottom of the system, which is where leaks keep occurring, and needs to be replaced. We will buy and store pipe to shorten the length of time members are without water during breaks. (We were lucky and were only out four days last time).
- Water for fire fighting. In reviewing the adequacy of the water system to respond to fires, Fred reported that our fire hydrants give a false sense of security. They would be useful for a small grass fire that starts on a lot, but not for a house fire (inadequate time to lay fire hose) or a wild-lands fire (inadequate water storage and flow.) In a wild-land fire, realistically the HLOA system can only be expected to help with low volume sprinklers for a very short time. The committee looked at an upgrade to handle a wild-land fire and priced it at more than \$125,000 – too expensive in light of other water system needs.

- Budget and Rates for 2018-19. Fred reviewed six key items for activity in the coming year. The line for “emergencies” is increased to better protect the capital reserve. The capital reserve will not be enough to cover the three big risk items, so we will likely need a loan if/when the big failures occur. The Committee and Board agreed we need to raise an additional \$2,450 through assessment increases. In setting the increase we are hitting the use rate a little heavier than the base rate because we did the reverse two years ago. The newly approved assessments for 2018-2019 are \$375 base and \$10 per 1,000 gallons used.
- The most recent leak, which occurred during chlorination, was a big one. We have learned a lot about chlorination over the past two years and revisions will be made to the Operations and Maintenance Manual.

Multiple members profusely thanked the committee members Fred Brockman, Dick Bull, George Oja, Matt Walker, and Bob Jenson (sadly recently deceased) for their hard work. Fred additionally thanked the Water Liaisons Bobbie Bull, Ron Polk and Gay Behnke, as well as additional volunteers Gary Willis, Rick Welch, Jim Dameron, Mickey McClendon and Nancy Clarke who have helped in various ways.

In discussion members discussed that the demands for planning and operation of the water system are a very heavy burden. **More volunteers are needed.** We should expect to have to hire a professional manager at some time in the future.

Fire Preparedness Committee

Gary Willis reported that this new committee has concluded that our local resources for fighting a fire are very limited. We are a long way from help. Road access has challenges. In the event of a big conflagration we should assume we are on our own for at least 48 hours. Things home owners can do include putting in their own underground tanks, clearly mark addresses so we can be found in an emergency, and know your escape plan and route. Gary can provide information about Firewise preparation to those who missed the community meeting. The biggest project will be to address fuel load on the 35 acre HLOA common lot on the west side. Attention to power lines is needed.

In discussion some home owners have voluntarily had fire preparedness assessments and found them highly useful. Interested home owners can contact Gary at 541-490-1150 to schedule one.

Tamarack Lane Maintenance

Mickey McClendon reported on the extensive volunteer efforts that have kept Tamarack expenses at \$0.00 this year. This includes limb clearing and chipping, as well as at least 15 snow-plowing events, and hand graveling. “The problem is the age of the workforce. We need more volunteers, and a new committee chair to wrangle the volunteers.” Members expressed appreciation to the volunteers.

New Business

Notification of Board actions after April 30, 2016

Ron directed members to the document that summarizes actions that the Board of Directors has taken since the last report was given to the owners. This summary is not the official minutes, but helps to apprise members of the actions that have been taken on their behalf by the Board. He is happy to provide more detail to anyone interested.

Election to Replace Two Expiring Term on the Board of Directors

Ron thanked all Directors on the Board for their service this past year. He reported that two directors have terms that are expiring. Devon Dreith is willing to serve another term if elected. Dick Bull has filled out the last year of a director who left and declines another term. He nominated Fred Brockman. Ron opened the floor to other nominations. With none forthcoming, the HLOA members voted unanimously to elect Devon and Fred to three year terms of service.

Nominations for Committees/Officers from the Floor

Ron indicated that, though he is ready to turn the Presidency over to someone new, Nancy and Terry are willing to continue as Secretary and Treasurer respectively. All members are encouraged to volunteer for committee work. The Board will meet immediately after this meeting to elect officers.

Other new business to be brought before the owners

None

The potluck will be held this evening at the Ron and Terry Polk's home at 5:30.

Adjournment

The meeting adjourned at 3:00 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nancy Clarke". The signature is written in black ink on a light-colored background.

Nancy Clarke, Secretary effective May 7, 2011

Attachments:

Treasurers Report
Water Committee Reports
Water Managers Report
Board Actions Summary
List of Owners & Map