

**Draft of April 28, 2005**

**SEAHURST WEST ADDITION**

**Minutes of Annual Meeting of March 29, 2005**

Bob Krakowski called the meeting to order at approximately 7:05 p.m., having a quorum of 12 families represented by Lee and Carol Sanders, Jim DeVaney, Bob Krakowski and Susan St. Claire, Jay O'Donnel, Vicky Fisher and Alex Reid, Marilyn Parker and Terry Watkins, Joe Swanzy, Mary McGarry, Debbie Conway, Mike and Maria Little, Ann and Samia El-Moslimany, and Knut Ringen and Jacky Randall. Marc Kropack also attended.

Approval of 2004 Annual Meeting Minutes. The minutes of the meeting of May 17, 2004 were approved without comment.

Financial Report. Jim DeVaney distributed a financial report for 2004. He said that our balance was currently \$10,257.01, and that all assessments have been paid. Expenditures have been running somewhat higher than in previous years, reflecting expenses for the beach lot and liability insurance for the Board.

Mike Little raised questions about the apparently high income level of \$6500 and why the net increase was not equal to the income figure less expenses. The community directed the Board to review the ledgers and reconcile the accounts.

Beach Lot Remediation. Marc Kropack stated that after the last meeting he began to fix the beach lot stairs, but was diverted when his basement flooded. He found that the drainage system in the beach lot was not working, and that most water was in fact flowing below it. In consultation with an engineer, he developed a plan to dewater the beach lot as quickly as possible. A well engineered drainage system is now in place and the beach lot is being restored and beautified. He said that his total expenditures, not counting his time, have totaled \$30-35,000, of which about \$15,000 has been for remediation and the rest for improvement.

Lee Sanders then addressed reimbursement for the project. Lee said that the Board had met with Marc and, based on Marc's earlier estimate of outlays, had approved reimbursement of up to \$2000, subject to community approval. (This amount would be in addition to the \$1000 already approved for replacing the beach lot stairs.) Lee also said that for one year only, we could advance an additional \$600 to Marc for upcoming weeding. Marc stated that he did not anticipate asking for additional reimbursement but would come back to the community if something unforeseen arose. Some members of the community expressed a desire to compensate more of Marc's costs, but this discussion was temporarily tabled pending discussion along with the annual assessment. The community unanimously approved a motion to pay Marc \$2600 (\$2000 for remediation and \$600 for this year's weeding). [Note: Thus, the amount approved for remediation of the lot is \$3000 (\$2000 approved at this meeting and \$1000 approved in 2004).]

Sealing of Road. Lee Sanders reported that Alan Mettler, who is a retired highway engineer, had told him that the joints and cracks in our roadway should be sealed. After extensive efforts, Lee obtained a bid from Salinas Sawing for approximately \$22,000 (including tax). He said that the Board was not making a recommendation whether to do the work.

There was considerable skepticism whether road surface water runoff could be a significant contributor to undermining the road; rather, the sense was that drainage water is much more potentially damaging. It was also pointed out that the Merlino, the concrete contractor who recently worked on the water line and the road, had vigorously defended its methods. Additionally, it was felt that the cost was disproportionate to the amounts that had been spent on repairs over the life of the road. The community unanimously decided not to undertake the work.

Covenants Revision. Vicky Fisher reported that the covenants committee (herself, Knut Ringen and Jay O'Donnel), with help from Mike and Maria Little, was now developing the specific language of proposed covenants. They hope to have a draft completed by August, and to hold community meetings in September, October and perhaps November to discuss it. If there is a fair degree of consensus, they would then send it to a lawyer in November 2005. Another community meeting would then be scheduled in 2006, but prior to the next annual meeting, to vote on the final draft. [Note: the existing covenants require that revisions be made in the final year of 10 year cycles; thus, any revisions would have to be made in 2006 or wait until 2016.]

Vicky said that the committee is trying to reconcile the expressed desire for restrictions with the view that there should be little enforcement by the Board. Jay added that he had consulted an attorney, who said that if you want to have covenants, you have to accept Board enforcement, because neighbors do not have legal standing to enforce covenants. Consistent with the advice from our attorney, the lawyer that Jay talked to also said that incorporation provided the best protection from liability. Jay agreed to show the attorney our covenants and explore with him whether we are an association. Knut added that we need to change the covenants because as written, they are designed to benefit the developers rather than the homeowners. Additionally, we should regard it as a positive opportunity to strengthen the community; for instance, the first stage of dispute resolution could be referral of the matter to the entire group.

After clarifying that 2006 is the calendar year that the covenants will need to be revised, the community unanimously approved an additional \$1000 to be authorized for further legal fees, as needed.

Insurance for Board of Trustees. Bob Krakowski said that the Board was recommending a one year extension of the Board's insurance coverage, which expires in September 2005. Mike and Maria expressed objections to the scope, terms and exclusions of the current policy. The community, with objection from the Littles, approved a motion to

allow the Board to either extend the current policy or find a better policy that was equally cost effective.

Annual Assessment. Bob Krakowski said that in light of the decision not to seal the road, and the amount of our current balance, the Board was recommending an annual assessment of \$250. The general view was that that was too low an assessment given the expenditures that had been approved. The community unanimously agreed that the annual assessment should be \$350. This amount will be due on October 1, 2005.

Additional Compensation for the Kropacks. The community then returned to the issue whether to reimburse more of the costs of the beach lot remediation than had already been approved (see p. 1). There was some sentiment in favor of additional reimbursement, though Mike Little objected, asking "Where do you draw the line?" and saying that although the beach lot would be hugely improved, past experience suggested that the community would not have spent the funds for it. He said that Marc had been faced with water in his basement, took on the project and did it the way he wanted to do it, and that he (and the Sanders) would benefit most, due to a greatly improved environment and increased property values. Marc agreed with these comments.

The community unanimously decided to ask the Board to consider the issue further and make a recommendation at the next meeting.

Nominations for New Trustees. Alex Reid and Bob Krakowski announced that they were leaving the Board. The community elected Maria Little and Vicky Fisher to replace them. The Trustees will decide how to allocate the various responsibilities.

Community Work Projects. Lee Sanders outlined a number of minor repairs that would require a community work project. It was agreed that a work party will be organized in August to do these repairs along with Marc. The community also discussed an inoperable drain on Bruce Beck's property, and the need to get rid of or give away an abandoned boat that is on the beach lot. It was noted that a "no trespassing" sign will be posted on the beach lot. Finally, Lee asked the minutes to reflect thanks to all those who have been keeping their respective sections of the community drains clear.

The meeting was adjourned at 9:15 p.m.

Jacky Randall  
Board of Trustees Secretary

Attachment: Financial Report [Note: The Board met on April 19 and corrected the financial report presented at the 2005 annual meeting. The revised financial report is included here.]



2004  
Checking Account - Seahurst West

Date	Check #	Reason for Entry	Entry	Balance
		Starting Balance		\$6,521.91
1/13/2004		Deposit: Swanzy '03 assessment	\$400.00	
1/23/2004		Statement Balance - January		\$6,921.91
2/28/2004		Deposit: Pohlman '03 + estimated '04 assessment*	\$800.00	\$7,721.91
3/19/2004		Statement - March		\$7,721.91
4/3/2004	1057	Jacky Randall - Office Supplies, copies	\$32.00	\$7,689.91
4/20/2004	1058	Nich Thach - Landscaper	\$120.00	
4/21/2004	1059	Jim DeVaney - stamps, envelopes	\$7.40	\$7,562.51
7/5/2004	1060	Nich Thach - 6/17 & 7/1	\$120.00	\$7,442.51
7/6/2004		DEPOSIT BY MAIL: Doell \$100 partial '03	\$100.00	
8/3/2004		Item Copy Fee	\$18.00	
8/4/2004	1061	Nich Thach - 7/29 & ??	\$120.00	
8/12/2004	1062	Marc Kropack: Lower lot cleanup	\$600.00	\$6,822.51
8/30/2004		DEPOSIT- Nardi - Parker/Watkins + Doell \$100	\$400.00	\$6,922.51
8/16/2004		Deposit - Emch/McCarry escrow check (by mail)	\$300.00	\$7,522.51
9/5/2004	1063	QRMS - Liability Insurance	\$759.00	\$6,763.51
9/8/2004		DEPOSIT- Seiwerath, Fisher, & Sanders	\$900.00	
9/20/2004		Deposit- ElMoslimany, Doell (\$100-'03)	\$400.00	
9/20/2004	1064	Nich Thach: yard work 8/15 & 9/1 approx	\$120.00	
9/20/2004	1065	Marc Kropack: repay for Thach visits 4/15, 5/1, 5/15 (approx.)	\$180.00	
9/22/2004		Statement Balance- September		
9/23/2004		DEPOSIT: Beebe, DeVaney + Mettler '03 replacement check	\$1,000.00	
10/7/2004		DEPOSIT: Little, Randall, StClair, Beck	\$1,200.00	
10/11/2004	1066	Nich Thach: 9/10 & 9/24	\$120.00	
10/20/2004		DEPOSIT: Doell, final '03, Doell '04 in full	\$400.00	
10/22/2004		Statement Balance- October		
11/3/2004		DEPOSIT: Swanzy, O'Donnell	\$600.00	
11/22/2004		Statement Balance- November		
11/12/2004	1067	Nich Thach: 10/13, 10/27 + dump disposal	\$157.00	
12/21/2004		Statement Balance-		
12/30/2004	1068	Nich Thach: 11/10 unknown	\$30.00	\$10,638.51