

## **McCarthy Creek Lot Owners Association, Inc.**

### **Minutes of 2006 Annual Meeting**

The 2006 Annual Meeting of the McCarthy Creek Lot Owners Association, Inc. (MCLOA) was held, pursuant to written notice, on March 9, 2006, at 5:30 PM at MEDIAK, 805 W. Fireweed Lane, Anchorage, Alaska.

The following MCLOA members were present, either in person or via teleconference:

Philip Myerchin, Michael Martin, Shannon Gramse, Robin and Maggi Rader, Rob and Dixie Rutherford, Bob Rutherford, Mike Murphy and Denise Lopez, Maria Benner and Scott Clendaniel, Rick Girouard, Greg Runyan, Jeremy Cohen, Michelle Latvalla, Elizabeth Hilker, Rob Wesson, Mark Wacht, Ellen Jorgensen, Mike Craft, Rob Koenig, Sunny Asuury Lyle Latvala et.al.

MCLOA President Jeremy Cohen called the meeting to order at 5:40 PM. A quorum was declared present. The agenda was reviewed and adopted.

MCLOA Treasurer Rick Girouard reported that the Association has \$6,783.89, pending liabilities large (subdivision roadwork) and small (MCLOA mailing costs). More importantly, the MCLOA is without \$12, 466 in outstanding dues and assessments. Additional reminders and notices will be distributed shortly. Cohen explained the process MCLOA began in December 2005 in an attempt to collect long overdue dues and assessments from delinquent members, some of whom have never paid a dime toward anything. Cohen apologized for the hardnosed nature of said correspondence, which treated all delinquent members identically, whether they were behind one year's worth of dues or have categorically refused all payment to MCLOA. A brief discussion of communication problems within the community ensued.

The next item on the agenda was follow-up on Rob Koenig's roadwork and MCLOA's expected reimbursement of his costs. Per MCLOA authorization from March 2005, Koenig would be reimbursed \$18,990 for the cost of improvements to a southern portion of Cinnabar Trail, contingent on determination by the MCLOA Road Committee that his finished road work conforms to existing MCLOA standards and specifications. In the fall of 2005, members of the Road Committee conducted an inspection of Koenig's work and found discrepancies with the original proposal.

Koenig explained his completed work laying Typar and gravel 10'-12' wide over approximately 2100 feet of road from the corner of Olivine Way to his parcel on Cinnabar Trail. 900 feet of this stretch is over permafrost and tends to be rather swampy. Koenig reported that he dumped extra gravel on these wet sections, has complete load sheets to document his work, and feels he built a good road, exceeding the demands of the MCLOA contract. Per MCLOA request, Koenig also installed two culverts on the road. He reported that the total cost for the culverts and requisite dozer time and extra

gravel was \$2,735. One of these culverts has since been removed. Koenig pledged to rebury it.

Mark Wacht spoke for the Road Committee. Wacht, Christine Johnson, Bob Cook, and Jason Lobo inspected the entire length of the new road last fall. Wacht said they checked gravel depth at various points and found about half of what the contract specified (just a few inches, rather than 6" to 8" with 24" over permafrost areas). Likewise, according to Wacht, one of the culverts was too large (4 ft.) and was installed poorly and in the wrong place and, further, that Koenig damaged preexisting subdivision roadwork in the process of new road construction.

Koenig said the culvert is in fact two feet diameter, is an appropriate size for the application, and that he would rebury it. He contended that the Road Committee's depth tests were inaccurate, as they were dug on the crown of the road, not on the edges where the real weight is borne. Wacht disputed these claims and said the new road is already severely rutted. As the conversation unraveled, Rob Retherford intervened to remind the Association that they entered into this good faith agreement with Koenig in a hurry and with little subsurface information. Retherford said that Koenig did a very good job, and with the one possible exception of the culvert in question, lived up to his agreement. Once the culvert issue is resolved, MCLOA has a commitment to pay Koenig, he said.

After much contention and indecision, MCLOA agreed to one immediate road assessment of \$200 per lot and a second assessment of \$150 on July 1. These assessments will be applicable to Phase One lots only. By May 15, 2006, MCLOA will pay Koenig half of his billed amount (\$10,862 of \$21,725.25). A second payment comprising the remainder will be made to Koenig by October 1, 2006, contingent on his replacement of the culvert, his redressing the Cinnabar/Olivine corner, and approval from MCLOA members via a mail-in ballot.

The meeting turned to discussing effective and appropriate ways to protect MCLOA improvements in subdivision right of ways. Unfortunately, this was a major issue last summer. Cohen suggested that property owners be held responsible for all damage, whether caused by the lot owner or a contractor in his or her hire. Greg Runyan suggested educating MCLOA members as to weight limits, seasonal restrictions, and other ways to reduce impact on the roads. Posting signage with similar guidelines was also suggested, as was the importance of a MCLOA road maintenance fund. Retherford emphasized the importance of clarifying Road Committee membership and responsibilities. The option of user fees was also raised. The Association agreed to appropriate \$200 toward the creation of two signs. Scott Clendaniel offered to make the signs.

The next item on the agenda concerned possible exclusion from road assessments for lot owners along McCarthy Creek. Michael Martin made the case that the five lots fronted by McCarthy Creek and backed by the bluff do not have and never will have access to subdivision roads and should therefore be excluded from sharing future road costs. Cohen added that the lots in question are further distinguished by questions of legal access; McCarthy Creek itself is the legal access to these lots and that there can be no expectation

for MCLOA to be involved in any future road construction or improvement along the creek. Phil Myerchin moved that, since only Martin was present to represent the lot owners in question, he should contact the others and give them the opportunity to agree that they wish to be exempt from future road assessments and that MCLOA likewise should be relieved from any and all responsibility regarding access to lots facing McCarthy Creek. This exemption applies to future assessments only; past due assessments must still be paid. The motion passed unanimously.

The next item to come before the Association was the question of changes to subdivision bylaws and covenants. These can be changed by a 75% vote of all MCLOA members, but the University is not eager to see modifications made and will work to block those deemed inconsistent with the community's character and aesthetics. The University presently maintains veto rights over covenant / bylaw amendments and will continue to do so through the first 15 years of MCLOA's existence. Just the same, Cohen welcomed feedback and thoughts from neighbors so that conversations regarding covenant changes might be added to future MCLOA meeting agendas.

Dixie Retherford then distributed a draft of proposed covenant changes regarding construction height and quality and driveways. Cohen asked that these issues be brought up at a future meeting.

Discussion of assessments and annual dues followed. Annual dues cover MCLOA's small administrative costs, infrastructure maintenance, and unforeseen expenditures. Special assessments can be applied to specific community improvements. Ideally, assessments should be raised prior to the commencement of MCLOA-authorized work.

The crucial need for a MCLOA website was raised. Ellen Jorgensen volunteered to create such a site: [www.mcloa.org](http://www.mcloa.org). It was felt that this will go a long way toward closing MCLOA's information gap and will be an excellent resource for all MCLOA members. Along with enhanced electronic communication, timely notification regarding changes in lot ownership and changing member addresses is particularly important to MCLOA.

The next MCLOA meeting will take place on Saturday, August 5, 2006 at 5:00 PM at Bob Cook's house.

Meeting adjourned at 8:25 PM.

Minutes submitted by Shannon Gramse, MCLOA Secretary