

McCarthy Creek Lotowners Association, Inc.

Minutes of 2005 Annual Meeting

The 2005 Annual Meeting of the McCarthy Creek Lotowners Association, Inc. (MCLA) was held, pursuant to written notice of same, on March 10, 2005, at 5:30 PM at the Chugach Electric Association Headquarters, 5601 Minnesota Drive, Anchorage, Alaska.

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

<u>Lotowner</u>	<u>Lot #(s)</u>	<u>Block #</u>
Rob and Dixie Retherford	6 & 7	5
R.W. Retherford and Dora Gropp	1	8
Bob Cook	1	5
Pat Doak	8 & 9	8
Greg Runyan	3	5
Matt Kasvinsky	2	1
Shannon Gramse	4	7
Jason Lobo	5 & 6	7
Mark Wacht	5	4
Greg Fensterman	1	9
Jeremy Cohen	1, 2 & 1(B6)	7 & 6
Rick Girouard	2	8

Additionally, the following MCLA members were represented by proxy: Larry Dietrich, Lots 10 & 11, Block 8 (Pat Doak, proxy); Mike Murphy, Lot 2, Block 5 (Greg Runyan, proxy); Dave Adams, Lot 5, Block 8 (Bob Cook, proxy), and Dick Anderson, Lot 6, Block 10 (Rob Retherford, proxy).

MCLA President Rob Retherford called the meeting to order at 5:45 PM. A quorum was declared present. The agenda was reviewed and adopted.

MCLA Treasurer Rick Girouard reported that the Association has \$2,625.96 and no liabilities. This amount reflects a recent \$600 payment to Keith Rowland for a load of gravel dumped near the intersection of Olivine and Cinnabar. Girouard stated that a report showing MCLA member payments received and past due was distributed in the last mailing and that formal demands for payment from delinquent MCLA members would be forthcoming.

Minutes from the MCLA Special Meeting on July 18, 2004 in McCarthy were approved unanimously with the following the corrections: (1) Jeremy Cohen IS a member of the Roads Committee, and (2) issues regarding McCarthy Creek access (such as a tram or improved bridge) are beyond the official scope of the MCLA.

Jeremy Cohen gave the Road Committee report, beginning by reviewing the written Road Committee report circulated in the last MCLA mailing. This letter summarized recent Road Committee meetings and discussed proposed roadwork in the southern portion of Phase I (Graywacke, Cinnabar, and Granite), estimated by Rowland to cost \$68,475 (a \$990 assessment per lot). Also covered were protocols for lotowners who opt to do their own roadwork and wish to be reimbursed by the MCLA. Lotowners *may* be so reimbursed if the following stipulations are met: (1) New road work conforms to existing MCLA standards and specifications, (2) a full description of the proposed work is submitted in advance to the Road Committee and receives their endorsement, (3) lotowners understand that they assume the full cost of all work and that reimbursement will occur only if and when the MCLA votes to do so, and (4) the finished project is inspected and approved by the Roads Committee.

Rob Koenig (Lots 2 & 3, Block 4) has met the above stipulations and hopes to be reimbursed \$18,990.25 for work done on the southern portion of Cinnabar. A discussion ensued. Jason Lobo pointed out that Koenig's price was several thousand dollars less than Rowland's estimate for this portion and that the difference reflects Koenig's exclusion of labor costs.

Mark Wacht commented that he was disappointed not to be included in the Road Committee's work, as he is a member. Wacht also stated that a culvert would be necessary to complete Koenig's work if it is to comply with existing MCLA standards. Rob Retherford responded on Koenig's behalf, reading from a letter in which Koenig agreed on the need for a culvert and promised to install one later. There was additional unresolved discussion regarding a bidding process for similar future road improvements. For the case at hand, consensus moved toward good faith and trust in neighborly honor.

Finally, Retherford moved to approve Koenig's request for reimbursement NTE \$20,000 and contingent on installation of a culvert, extra gravel laid at the corner of Olivine and Cinnabar, and final Road Committee inspection. Jeremy Cohen seconded the motion, which passed by a vote of 14 - 2.

Pat Doak raised the question of whether owners of lots (Lots 9, 10, 11, 12, & 13, Block 8) with no access to MCLA roads should be assessed for their construction. She said this is unfair to those whose lots are on and below the bluff facing McCarthy Creek. Jeremy Cohen voiced his agreement. Rob Retherford expressed concerns about holding MCLA together but conceded that this may represent a special case.

Matt Kasvinsky compared these lower, creek side lots to those bordering on Nizina/Dan Creek Road, who also receive no direct benefit from additional road construction but are expected to pay their share of assessments. Lotowners knew what they getting into when they purchased their property, he said. Rick Girouard said that we shouldn't make such changes now, after treating all lots the same for so long. Jason Lobo then asked why a historically unfair situation couldn't be rectified for the future. A credit system was suggested but dismissed as too complicated. Kasvinsky held that MCLA assessments are really a kind of tax, tacitly agreed to by all lotowners upon purchase and applicable to all,

irrespective of individual benefit. He paid assessments for existing roads, Kasvinsky said, and though they do not affect access to his property they do increase the value of all property in the subdivision. Doak pleaded with MCLA members to be reasonable. Retherford again stressed the importance of maintaining a healthy association and Girouard wondered aloud whether UA, which still has controlling interest in MCLA, would squash any attempts at secession, changes to existing assessment mechanisms, or moves toward dissolution of the association.

Shannon Gramse suggested that Doak develop a written proposal that could be distributed in advance of the next MCLA meeting, where the issue will receive further attention. Doak agreed. Bob Cook said he would also like to include questions on changing certain covenants.

It was determined that the next Special Meeting of the McCarthy Creek Lotowners Association will take place at Bob Cook's place on August 27th, 2005.

Rob Retherford resigned as MCLA President. Rick Girouard nominated Jeremy Cohen as the next President. Dixie Retherford seconded the motion, which passed unanimously. It was determined that Jeremy Cohen shall become the new MCLA President and shall be added to list of Directors.

Finally, Jason Lobo gave an interesting report on fire safety, reminding folks to keep 30 foot brush zones around all structures and to keep existing trails clear of obstructions. Lobo said he would include additional fire safety information with the next MCLA mailing.

Meeting adjourned at 7:30 PM.

*Minutes submitted by Shannon Gramse, MCLA Secretary