

MCLOA 2019 Annual Winter Meeting Minutes

McCarthy Creek Lot Owners Association Annual Winter meeting was held on Wednesday, March 13, 2019. The physical meeting location in Anchorage was at the offices of Alaska Earth Sciences at 11401 Olive Lane, Anchorage, Alaska. Members also called into the meeting via a conference number posted on the MCLOA website and emailed to the membership in the meeting notice.

Meeting notes compiled by Dodie Pruessner, MCLOA Secretary, and reviewed by the board of directors

Attendees: 19 lot owners plus two proxies (representing 30 Lots, 23 from Phase I, 7 from Phase II)

Scott Clendaniel (**President**) – B 6 L 5 – Ph I

Craig Neill (**Treasurer**) – B 2 L 2 & 3, B 3 L 14, B 1 L 4 – Ph I

Dodie Pruessner (**Secretary**) – B 8 L 1 – Ph I

Matt Ehmt – B 3 L 8 – Ph I

Jeremy Cohen – B 6 L 1, 6 & 7, B 7 L 1, B 4 L 1 – Ph I

Leif Mjos – B 5 L 4 – Ph I

Michelle Latvala & Pete Senty – B 3 L 1 – Ph I

Julian Hanna – B 9 L 4 – Ph II

Sunny Asbury – B 10 L 2 – Ph II

Michael Martin & Anita Penuelas – B 8 L 12 – Ph I

Mark Merwin – B 2 L 1 – Ph I

Greg Fensterman – B 9 L 1 – Ph II

Rob Retherford – B 5 L 6 & 7 – Ph I

Rob Wesson – B 2 L 9 – Ph I

Robin Child – B 10 L 5 – Ph II

Jason Lobo – B 7 L 6 – Ph I

Dave Mitchell – B 8 L 3 – Ph I

Tim George & Kyle Myers – B 9 L 5 – Ph II

Eve Trent – B 10 L 8 & 9 – Ph II

Proxy for: Salvatore Milazzo – B 2 L 6 – Ph I

Elizabeth Schafer – B 4 L 4 – Ph I

Also present at the meeting in person in Anchorage was Sally Gibert who owns property on the north side of McCarthy Creek just east of the bridge but is not part of MCLOA.

Scott Clendaniel called the meeting to order at 5:33 pm and noted that we had a quorum present for the meeting.

Financial Report:

Craig Neill – treasurer - gave a quick financial summary:

MCLOA collected \$6425 in lot dues and back balance payments during 2018 and paid \$3474.98 for filing liens, federal documents, miscellaneous expenses and fees. Net income for the association at the end of December 2018 was \$2975.02.

The balance in the association account on 2/28/2019 was \$33,671.07.

As of 3/10/2019 the total outstanding dues owed to the association from 46 lots is \$19,563.00.

The financial report was accepted.

MCLOA Tax filing status – MCLOA has not filed any tax paperwork since 2011 and must back-file tax returns to be compliant with the IRS. This does not necessarily mean MCLOA owes taxes because the association is a non-profit entity but returns must be filed annually. Craig has enquired with four CPA's in his area and one in Anchorage (Roy Briley Property Management). Most will file the required forms for \$300 - \$500 per year for each year a return was not filed, which would total \$2000 - \$3000. The Property Management firm in Anchorage has offered to prepare the past 5 years of returns for \$1500. This would not commit MCLOA to hiring the firm for any additional work.

A motion was put forth to have Roy Briley prepare MCLOA's outstanding tax forms for the past five years and bring the association up to date for \$1500. The motion was passed unanimously.

Property Management – Craig Neill shared a proposal he received from Roy Briley Property Management to manage the McCarthy Creek Lot owners Association. The proposal includes attending board meetings, preparing minutes, assisting with questions, performing site inspections for violations, issue fines, secure bids when needed, collect dues and assessments and deposit them in the association's accounts, provide accounting and online services. The management fees would be \$36/year per lot, plus some initial one-time up-front fees.

Much discussion ensued. Several members present would prefer to pay their neighbors to handle these tasks if there is interest and keep everything within the subdivision and the association lot owners. It was pointed out that paying lot owners to conduct board responsibilities could quickly turn to malfeasance, and that the volunteer aspect is paramount. Others felt that the property management company's proposal would take care of all the details and be knowledgeable about handling taxes, liens and properties changing hands. On the other hand, this company has no knowledge of the association or any history of issues in the area. Historically, there has not been much interest by lot owners to take on these tasks, it has been difficult enough just to fill the board positions. The price quoted sounded good to some, and terrible to others; currently the association only collects \$50 per lot per year for dues, collecting dues from multiple lots has proved challenging, and MCLOA funds could quickly dwindle, especially if the management fees are raised. It was asked to clarify what was in the proposal.

We will send the proposal to all lot owners for review and the discussion was tabled until the summer meeting and more information was available.

Current Accounting practice – Craig Neill mentioned that Jenny Rosenbaum, who is currently helping with our book keeping, suggested that we use Quick books on-line. This can be used by 6 people and would keep all the data in one place. This is currently available for \$30 per month and would require those using it to get familiar with Quick books. Jeremy Cohen nominated Pete Senty to become treasurer indicating that he has Quick books experience. Pete Senty was elected treasurer; motion that

Craig Neill and Pete Senty will get together with Jenny to get quickbooks setup. Motion passed unanimously.

Craig did not get a chance to check on how dues allocated between Ph I & II are tracked and will get that information for the next meeting.

Update on Liens:

Scott Clendaniel reported that all the liens have been filed and unless owed moneys are paid will stay in place for three years from date of filing.

Status of Roads:

Jeremy Cohen reported that he found some of the old standards that had been put together for the original road work in phase I and that it needs to be brought up to date so we can continue to follow it for any additional road work.

Jason Lobo shared that “Gus” his grader has been working on cleaning up some of the subdivision roads and driveways and he is happy to do more. He has visions for the future to make our roads safer which include trails along side the roads. Scott Clendaniel reminded Jason that MCLOA will not be paying Jason for the road work he has conducted to date, for numerous reasons. Jason acknowledged this. Jeremy also explained that the subdivision roads are within public ROW and are not Jason’s roads (as he referred to them multiple times) and any work done on them on behalf of the association needs to be approved in a democratic process by the lot owners and performed by licensed and bonded entities, prior to beginning the work. What is done on individual lots and driveway is up to the lot owners, assuming the work meets conditions as outlined in the association’s covenants.

Jason Lobo pointed out that the grade of the subdivision road where it intersects with the Nizina road is not up to standards.

Jeremy Cohen will reactivate the road committee, it will tentatively include himself, Jason Lobo, and additional interested members. The committee will report back at the summer meeting, when members can be nominated and approved.

McCarthy Creek Remediation at bridge crossing:

Keith Rowland with ROWCON sent out an open letter regarding remediation at McCarthy creek around the bridge due to flooding that occurred late in the summer 2018. Some of the remediation has already happened, the bridge has been raised 3 feet to create more clearance. This is increasing the cost for the bridge key for the McCarthy creek bridge by \$75 to help cover the cost. Proposed Long-Term Remediation would be an additional \$100,000 or more.

Many questions ensued, including what studies had been done in the past or needed to be done to understand the best solution. Also, what entities needed to be involved as this involves not just our association, but also immediate lot owners near the bridge around the creek and all those needing the bridge to access their property along the Nizina road. DOT (ROW) and the Park Service (Land access) should be involved?

Sally Gibert who owns property on the north side of McCarthy creek just to the east of the bridge voiced her concern and that something needs to be done. Recent rain events have not been consistent with historical flooding events and McCarthy creek has been depositing much material and raising the flood plain. A hydrologist, Barry Hecht, has been studying McCarthy creek for over 20 years and may be a good source for information. Property owners in the impacted area near the bridge have contributed over \$20,000 to the remediation effort. Overall there is support for Keith's long-term plan, but there is also concern about removing the old gabions and causing new lakes/bogs/erosive eddies to form.

Kyle Myers pointed out that the Motherlode Powerhouse and possibly other structures (e.g., Commissioner's Cabin) are doomed according to all the hydrologic studies to date, and much of the work ROWCON performed was to save those buildings as much as to protect the bridge. He felt MCLOA should not have to pay for any efforts to save doomed buildings that have nothing to do with MCLOA. There was support for these notions.

Jeremy Cohen proposed that prior to a final design being approved (should the project get to that point), a hydrologist should be consulted to evaluate the design to determine if any modifications are necessary (within the defined scope of the project) to increase project lifespan or effectiveness. Support was voiced.

A resolution was put forth to have Tim George get more information and a hydraulic committee together with the possibility of allocating funds at the summer meeting. The resolution passed unanimously. Prior to the meeting, Jeremy Cohen had spoken to Mike Loso (park geologist) about this project, who conveyed that NPS is an interested stakeholder and may be able to support studies of the crossing/bridge project. Jeremy offered to work with Tim to engage NPS in this project.

Update on Modifications to MCLOA By-Laws regarding notifications

Dodie Pruessner reported that the change to the by-laws regarding physical mailings of notifications and meeting notices are in progress but has not been finalized. She asked if there were any other by-laws that needed to be changed. No additional changes were presented.

Election of New Officers:

Scott indicated that he was stepping down as president. No members volunteered for the presidential position. Michelle Latvala nominated Jeremy Cohen to step in as inter-rim president through the July 2019 summer meeting at which time a new president will need to be elected. Scott Clendaniel seconded the motion, and it passed unanimously.

Jeremy Cohen nominated Pete Senty to be Treasurer. This was seconded by Craig Neill and it passed unanimously.

Michael Martin indicated he wanted to get more involved with the association and was nominated as Secretary. There were no objections.

It was proposed that the association continue to have two advisors to the board. Rob Retherford has held this position in the past and agreed to continue forward. Scott Clendaniel will also continue in an advisory position and continue to be the associations agent with the State of Alaska.

New Business:

Scott asked if there was any new business to be discussed and no new business was put forth.

2019 Summer Meeting:

The date for the 2019 Summer Meeting is proposed for Saturday, July 6th, 2019, at 6 pm at Toni Zak's.

The 2019 annual winter meeting was adjourned at 7:29 pm Alaska time.