

Meeting Minutes
Meeting of the Board of Directors of the Rocky Ridge Properties Owners Association
Meeting Date: September 1, 2018
Meeting Time: 9:00 a.m.

Notice of Meeting: Bill (Yates) Bauder confirmed that the property owners received notice of the scheduled September 1, 2018 board meeting as follows: (i) on August 20, 2018, Yates posted the notice and agenda for the meeting on the message board at the Rocky Ridge Road entrance gate; (ii) on August 21, 2018, Yates emailed the notice and agenda to all property owners who (as reflected in the Association's books and records) have authorized receipt of notices by email, at the email addresses they have provided; and (iii) on August 21, 2018, Yates deposited into the US mail (for delivery to all other property owners, addressed to the mailing addresses that said owners have provided to the Association) the notice and agenda for the meeting.

Quorum: President Steve Dohrmann called the meeting to order at 9:05 am. Directors Steve Dohrmann, Bob Schuchardt, Nick Farwell, Curtis Sproul, Laura Bertone and Bruce Shepherd attended the meeting in person, and accordingly a quorum was present. Director Frank Pagliaro did not participate in the meeting. Yates and Ray O'Neal also attended the meeting.

1. **Approval of Minutes of July 20, 2018 Meeting.** The minutes of July 20, 2018 board of directors meeting, in the form circulated to the directors prior to the September 1, 2018 meeting, were approved [Steve motion; Curt second, 5-0 vote (Nick abstained since he was not in the 7-20 meeting)].
2. **Yates's Property Manager's Report:** Yates reported as follows:
 - Rich Adams of State Park System says that the Burton Creek project will be undertaken next summer, rather than in 2018.
 - The Board discussed the Association's general policy re: tree removal. The board confirmed general consensus that trees should not be removed unless (i) they are diseased to the point of dying or (ii) they impose a reasonably immediate threat of damage to one of the residential buildings or other improvements. Yates said that a few more dead trees will be removed in October (near units 21 and 28).
 - Since the maintenance team was shorthanded this year (due to Chum's departure), there were no major landscaping projects undertaken this past summer. Yates said that the lawns will be aerated this fall (aeration helps save water).
 - Yates is very pleased with the speed and quality of the painting work this summer. He felt that hiring less experienced people but then investing training time yielded positive results.
 - Yates note that labor costs continue to rise, due to shortage of laborers (and shortage of housing that is affordable to laborers).
 - Yates thinks that the company we use for the annual furnace study is the best choice for this work. He will line them up again for the fall of 2018, if possible.
 - Units 122 and 117 track and deck rails will be replaced later this fall
 - Yates hired a new guy (Buster) to fill the position that Chum had held. We now have 4 full time employees. In the summer, we have 7-8 additional seasonal employees (in addition to our 4 full time people), but these 7-8 do not get benefits. It has been particularly difficult to retain quality beach assistance. In the winter, we bring in additional folks (over our fulltime 4) as needed.

3. **Bears:** Yates reported that bears are visiting the property virtually every night, and often during the day. Bears increasingly are getting into dumpsters due to poor latching. PROPER LATCHING OF THE TRASH BINS IS CRITICAL. Cars also are problematic, as the bears seem to have learned how to open car doors. The board also briefly discussed the establishment of increased fines or other penalties for homeowners that fail to comply with latching and trash rules, but it did not formally adopt any changes to existing rules. [The subcommittee described below may consider this issue in connection with the drafting of the revised Operating Rules.]
4. **Window Change for Unit 63.** The board considered the proposed change to the window in unit 63 (which the board determined (i) does not present a meaningful change to the outside appearance of the unit and (ii) is consistent with window changes approved by the board in the past). The Board unanimously approved the proposed window change. [Motion Bruce, Second Nick].
5. **Reserve Study:** Yates explained the theory behind the periodic reserve study and the past practices with respect to the reserve study. Bob Schuchardt also provided comments about the past practices with respect to the reserve study. The reserve study is brought to the board every fall for approval, together with the operating budget. Yates will present an updated reserve study at the November 2018 meeting.
6. **Operating Rules.** The board agreed that, with the CC&R's and Bylaws revisions now complete and adopted, it is time to review and update our "Operating Rules." The board identified Curt and Bob as a subcommittee to prepare an initial draft regarding the Operating Rules. In addition to general review to assure consistency with the CC&R's and Bylaws, the subcommittee will consider the following:
 - Clarification of rules regarding architectural approvals (NOTE: history suggests that each year, 2-3 of the units will be see a material remodel).
 - Clarification of penalties that may be applied to owners who undertake architectural or structural changes without first obtaining board approval.
 - Establishment of a rule precluding use of briquette barbeques on any decks.
 - Consideration of whether additional rules should be established to simplify the association's election processes for board members.

The board discussed the establishment of rules regarding the use of drones and decided that it probably is prudent to wait before adopting association rules on this topic (the board felt that existing laws provide remedies that probably are sufficient, at least under current circumstances).

7. **Pier and Buoy Leases.** Bob Schuchardt provided a report on this important topic. Bob noted that the California State Lands Commission lease (for pier and buoys) has 5 years remaining within its term. In 2019 the rent will be \$13,537/yr. Although the use of the pier and buoys also is subject to TRPA approval, Bob indicated that TRPA will approve the lease if CA State Lands Commission approves it. The TRPA also has said that it may permit an increase in the number of buoys. In 2018, Rocky Ridge owners used 26; Yates anticipates that there will be demand for more usage in 2019.
8. **Leases of Rocky Ridge Buildings.** Bob Schuchardt reported that the lease renewals have been completed for the Claus lease (at rent equal to \$1,771/mo) and for the O'Neil lease (at rent equal to \$2,272/mo).

9. **Executive Session Regarding Personnel Matters.** The Board temporarily adjourned to Executive Session to discuss certain confidential employment issues. The board reported the following from the Executive session, for inclusion in the minutes of the meeting:

- The board discussed long term planning for the Property Manager position.
- The board discussed establishing flexibility for the Property Manager to provide, on occasion, spot performance bonuses for the Association's lower compensated employees. The board agreed that such bonuses can be awarded, but only so long as (i) in the discretion of the property manager, such bonuses are warranted due to outstanding performance; (ii) any such bonus is consistent with the approved applicable budget; (iii) any such bonus is not greater than \$2500 per employee; and (iv) any such bonus is approved by the Board President before it is paid.

The board then returned to regular session.

10. **Annual Meeting of Homeowners.** The board discussed briefly the issues to be raised in the homeowners meeting that was scheduled to begin shortly following the board of directors meeting. These issues included (i) the election of directors, (ii) the approval of the amendments to the CC&R's and Bylaws applicable to Rocky Ridge, (iii) the President's report, (iv) the Property Manager's report and (v) the Treasurer's report.

11. **Tentative Schedule for Subsequent Regular Board Meetings Between September 2, 2018, and September 10, 2019:** The board next established the following meeting schedule for the above referenced period:

- Tuesday November 13, 2018, at Noon. Telephonic – Location: Peninsula Golf & Country Club in San Mateo.
- Tuesday February 12, 2019, at Noon. Telephonic - Location to be determined.
- Tuesday April 16, 2019, at Noon. Telephonic - Location to be determined.
- Tuesday May 28, 2019, at Noon. Telephonic - Location to be determined.
- Saturday August 31, 2019, t 9:00 am. Location: Beach Clubhouse at Rocky Ridge Beach.

12. **Tentative Schedule for Annual Meeting of Homeowners:** The board next established Saturday August 31, 2019 at 11:00 am as the scheduled date and time for the 2019 annual meeting of homeowners.

The board of directors meeting was adjourned 10:52.