



Shelley Lake Estates Homeowners' Association
MINUTES – Regular Board Meeting
Tue. July 26, 2011 7:00 p.m.
Common Area – 9th and Shelley Lake Lane

Board Attendees:

Sharon McHugo	Director	Zone 1
Steve Watilo	Director	Zone 2
Dave Syrcle	Director	Zone 3
Bill Martin	Director and Vice President	Zone 4
Bob Harris	Director and President	Zone 5
Dan Pfeiffer	Director	Zone 6
Diana Wilhite	Director	Zone 7
Claudia Hersey	Secretary	Non-voting
Norene Green	Treasurer	Non-voting
Derek Buckley	Architectural Committee	Non-voting

Guests:

All homeowners invited to attend.

#	TOPIC	DISCUSSION	ACTION AND/OR FOLLOW-UP INFORMATION CONTACT PERSON
1	Call to Order and Agenda review	President Bob Harris acted as Chairman and Secretary of the meeting. Bob Harris reviewed the agenda. It was estimated that 80 homeowners attended.	The Chairman declared the members present constituted the quorum necessary for the transaction of business at the meeting.
2	Meeting Minutes	For approval - Regular Meeting of the Board of Directors held May 19, 2011	Upon a motion made by, seconded and carried, the minutes of the Regular Meeting of May 19, 2011 were approved.
3	Treasury Report	May/June Financial Reports Norene Green reviewed the financial results through 6/30/11. Cash Balance: Operating Fund: \$52,812; Shoreline: \$10,595; Replacement Fund: \$9,512; Total: \$72,928	Upon a motion made, seconded and carried, the financial report was accepted.
4	Architectural Committee Report	Derek Buckley thanked homeowners for their consideration of the regulations and submission process for Architectural Committee (AC) approval and reminded homeowners of the Committee's responsibility to uphold the architectural standards as contained in the Covenants to help maintain the appearance and value of homes in Shelley Lake development.	Upon a motion made, seconded and carried, the Board approved the Architectural Committee recommendation to increase the size of homeowner sheds to 128 square feet.

#	TOPIC	DISCUSSION	ACTION AND/OR FOLLOW-UP INFORMATION CONTACT PERSON
		<p>Derek asked the Board to reconsider a homeowner appeal for approval of his request to build an 8x16 storage shed (vice approved 8x15) for 128 sq. feet (vice 120).</p> <p>The Board discussed the possible construction of an Association storage building on the common area at Shelley Lake Lane and 9th Lane. Opposition was voiced by several neighboring property owners concerned about the location and cost of such a large shed. Alternatives were discussed. In response to a concern about the cost/timing for a storage building relative to the cost/timing of fence replacement, Dan Pfeiffer noted that the Board had a fiduciary responsibility to triage the HOA's infrastructure and maintenance projects within the budget and that replacing dilapidated fence should take priority over discretionary projects that weren't using obligated shoreline funds.</p>	<p>The Board decided to postpone consideration of storage alternatives until a later date.</p>
5	Communications Committee Report	<p>Bob Harris reported on behalf of Lisa Diffley, thanking homeowners for attending the Annual BBQ and invited homeowners to attend the National Night Out Ice Cream Social on Aug. 2 at 6:30 p.m. to enjoy a root beer float and a game of ladder ball at the common area located inside Gate 2 at Reflections. National Night Out is designed to heighten awareness of crime and drug prevention, strengthen community spirit and build partnerships with law enforcement. Visiting public safety officials will be provided by S.C.O.P.E.</p>	<p>This event is hosted by SLEHOA Board of Directors and organized by SLEHOA Communications Committee.</p>
6	Maintenance Committee Report	<p>Bob Harris reported on recent maintenance projects – had done some clean-up and cut down a few diseased Birch trees by Gate 3 and some Quaking Aspen trees along Rotchford. Bob has been doing some work on the irrigation system, replacing sprinkler heads, etc. Bob also reported on lake water levels, status of the wet lands pond, and encouraged anyone wanting to move the trapped fish from the pond to the lake to go ahead and do that. Due to the high water this Spring and two years ago, the shoreline looks pretty baron, but warned the weeds will come back. Will hold off planting any more plants on the shoreline until Fall – will focus on planting plants closer to the path and rushes and sedges to hold the north bank (based on recommendations from “Plants Of The Wild” shoreline planting development plan). There is a long list of small projects and repairs that need to be completed on a limited budget; volunteers are always appreciated. Shoreline Funds can only be used for shoreline development and improvement.</p>	<p>Upon a motion made, seconded and carried, the Maintenance Committee Report was accepted.</p>
	Saltese Flats Wetlands Restoration Project Update	<p>Homeowners asked questions about the status of Spokane County Division of Utilities restoring wetlands at Saltese Flats as an alternate location for reclaimed water from the new sewer treatment plant. Reclaimed water would only be discharged at Saltese Flats if a permit cannot be obtained to pump into the Spokane River (due to total loading of the river). The reclaimed water will be much cleaner than the current reclaimed water.</p>	<p>Bob Harris offered his opinion to homeowners present that any water pumped to Saltese Flats should have little or no effect on the quality of our lake water.</p>
7	New Business	<p>A major topic discussed at the meeting was the fence replacement project. Bob Harris spoke, on behalf of the Board, providing a brief history of the fence replacement project and impact of proposed changes to CC&R's that would possibly delay completion according to the approved plan. Homeowners present were then asked their opinion about whether the Association should continue the fence replacement project or should</p>	<p>Due to strong support, the Board agreed to reevaluate the phased fence replacement plan to add the North fence to this Fall's schedule replacement along Fourth Ave., and will review the operating budget to see what funds could be loaned or shifted to the</p>

#	TOPIC	DISCUSSION	ACTION AND/OR FOLLOW-UP INFORMATION CONTACT PERSON
		<p>consider delaying project possibly into 2012 and beyond. Again, this was asked in light of some proposed revisions to the CC&R's that, if approved by a majority of lot owners (125) at the next annual meeting, may necessitate a 3 – 4 year delay in replacement schedule. Prior to the meeting the proposed amendment (Version 3) was replaced with a revised Version 4 amendment, the effect of which, if approved, is uncertain until a review of the proposed amendment(s) can be completed.</p> <p>The Board asked homeowners present how they felt about this; homeowners who favored continuing the fence replacement project as approved at the last annual meeting raised their hands. A large majority of the homeowners present raised their hands; (none were raised against continuing the fence replacement project).</p> <p>A homeowner did ask whether dues would go down again after the fence project was completed. Bill Martin responded on behalf of the Board by saying it was unlikely dues would be lowered after the fence replacement project was completed as these funds are needed for future Replacement Fund projects we will be required to make (i.e. road repairs).</p> <p>Due to strong support, the Board agreed to reevaluate the phased plan to add the North fence to this Fall's schedule (along with Fourth Ave). The only caveat was that the ground needed to be evaluated; three construction experienced homeowners volunteered to assess the ground. (They did so, along with the fence contractor, and reported the ground is stable enough to install the fence, however, it was noted that some additional installation procedures would be needed in some areas on the North section).</p> <p>In the meantime we are reviewing our operating budget to see what funds could be loaned or shifted to the replacement fund to manage the added expense of replacing both sections of fencing at the same time and, in addition, if anyone wants to prepay their dues they may, which would certainly help. In addition, several homeowners offered to help tear out the old fence and haul it to a recycling center. This could save over \$3000 which would significantly help in funding both sections of fence this Fall.</p>	<p>replacement fund in order to determine if we could manage the added expense of replacing both sections of fencing at the same time.</p>
	<p>House Bill 1309</p>	<p>The Board explained the forthcoming requirement that associations prepare and publically distribute financial information, including a 30-year reserve plan for funding future replacement of major components (roads, fencing, etc.). The term "reserves" as used in this context, refers to the funds set aside to cover these replacement costs. The board of directors is tasked with making decisions about the funding goals of the association.</p>	<p>Bob Harris reported that our Association already has a 30-year financial forecast, with a five year segment included in our Annual Meeting presentations (available on our website).</p>
	<p>New Apartments</p>	<p>Homeowners expressed concern the new apartment complex name included "at Shelley Lake," creating a false impression the lake was theirs to explore, and feared this could lead to an increase in trespassers and, potentially, an increase in crime. The Board explained they could not control what the developer named its development and could not</p>	

#	TOPIC	DISCUSSION	ACTION AND/OR FOLLOW-UP INFORMATION CONTACT PERSON
		<p>predict the potential risk of increased trespassers or crime.</p> <p>When a person posing as a potential renter asked about access to the lake, they were told, "the lake was private property and not open to apartment tenants."</p>	
	Exec Session	The Board went into executive session to discuss a possible CC&R violation.	No vote was taken.
	Adjournment	There being no further business to come before the Board, the meeting was adjourned.	
	MINUTES ACCEPTANCE	<p>Respectfully submitted by:</p> <p style="text-align: right;">_____</p> <p style="text-align: right;">Bob Harris, President</p> <p style="text-align: right;">_____</p> <p style="text-align: right;">Claudia Hersey, Secretary</p>	