
ROCK HARBOR PROPERTY OWNERS ASSOCIATION

AUGUST 13TH, 2011

ANNUAL MEETING MINUTES

The Board of Directors of the Rock Harbor Property Owners Association and property owners met for the annual meeting at 1:00 pm on Saturday, August 13th, 2011 at 1st Avenue Hall located at 409 1st Ave, New Tazewell, Tennessee.

Directors present: Seaborn W. Chavers, Jr., Gaby Pozo, Larry Lamb, Mark Cade, and Stephen Kramer

~~**Also present:** Henry "Chip" Burwinkel, Susan Cade, Deborah Chavers, Bruce Cox, Carolyn Cox, Charlie Crook, James Erdman, Laurie Erdman, Dr. Melvyn Frieman, Irene Frieman, Elaine Grindle, John Grindle, Jr., Diane Hallingse, Donald Hallingse, Jane Kramer, Joyce Lamb, Charlene Lehr, Robin Leib, Stanley Leib, Andrew Libby, Deliah Libby, Rob Martin, Sandy Martin, Al Mayer, Thomas Maxwell, Vicki Maxwell, Diane Mikolsy, Ben Parson, Carmen Pavon, Luis Pavon, Sara Peterson, William Peterson, Bruce Robertson, Donna Sanger, Gary Sanger, Daniel Serena, Karma Serena, Marivic Singer, Michael Singer, Beverly Slayton, Carol Tomljanovich, Dave Tomljanovich, Barbara Weber, Lutz Weber, Patricia Zmuda and Ronald Zmuda~~

Secretary Kramer called the meeting to order. Kramer thanked everyone for taking the time to come to the annual Rock Harbor Property Owners Association meeting. Kramer introduced the previous year's elected board members: Seaborn W. Chavers, Jr, President; Gaby Pozo, Vice President; Larry Lamb, Treasurer; Mark Cade, Member-at-Large and Chairman of the Architectural Control Committee; and Stephen Kramer, Secretary.

Kramer reported the time that he spends at home attending to items that need his attention for Rock Harbor are well over 300+ man hours. This time is made up of answering emails, talking to Jesse Smith (property maintenance employee), and people who are working on the marina. Kramer commented the amount of time that is put into Rock Harbor is endless. Kramer stated that he could not imagine what the local board members spend on the property to keep it going.

Kramer thanked the property owners for coming and introduced Rock Harbor's president, Seaborn W. Chavers, Jr.

I. President's Report

Seaborn W. Chavers, Jr. reported that Rock Harbor has come a long way from where it was last year. He stated that the board is here to answer questions and take comments. He reported if the board does not have an answer today, they will get back with you on the matter. He informed the property owners that there will be a time for the board to answer those questions shortly.

S. Chavers reported last year, the board found out what was real and found out where they needed to go. He reported a huge educational piece was learning what they could do and what they could not do. He commented that Rock Harbor is the premiere community it was intended to be. He reported that the structure of the marina is much stronger and safer than it was when they acquired it.

S. Chavers reported that each area will give an overview of their areas. He explained that property owners will have an opportunity to ask questions later.

II. Treasurer's Report

Larry Lamb reported the following information included on the Profit and Loss statement: total income for Rock Harbor POA from January 1st, 2011 through August 10th, 2011 was \$152,357.70; collecting ^{Feb. 2012} \$140,000 in dues; \$42.25 for business licenses and permits; \$513 a month for liability insurance; \$800 a year on workers compensation insurance; \$41,669.70 for landscaping and grounds keeping completed by Jesse Smith; \$42,554.91 for marina maintenance; \$5,669.85 for professional fees in which attorney Danny Stone provides (also includes security expenses); \$1,617.55 for Utilities for the year so far.

Lamb reported at the end of the year he foresees Rock Harbor POA having near \$90,000. He stated \$50,000 is currently drawing interest in a money market account. He stated that he foresees no problem paying the bills for the rest of the year. He reported the \$42,554.91 spent on the marina has been spent in effort to shore up and enhance the marina.

III. Committee Reports

Communications

Gaby Pozo reported in order to open up lines of communications, the Committee has set up a four prong approach. 1) Facebook, 2) Newsletter, 3) Website, and 4) the 800 number. Pozo invited everyone to visit the website, www.rock-harbor.com. She stated the website is a place to find many resources such as all forms for the ACC Committee, Marina, etc. Pozo reported that the toll free number, 1-877-394-4540, is an automated number to leave a message and they will return your call. She reported that the Facebook page had initially been set up as a group, but this will be changed to a page instead. Only Rock Harbor property owners will be invited to the Facebook page. She reported that the newsletter was traditionally the way information was communicated and will continue to be issued.

Common Areas

Deborah Chavers thanked all those who helped with the common area, marina and recreation area. D. Chavers reported that the original fountains at the entrance of Rock Harbor were converted in to planters. She reported the work was completed by a company out of Middlesboro, Ky. D. Chavers stated that the smaller water fountain is intermittent and will be worked on in the fall. She also stated that the guard shack will be worked on during the fall as well.

D. Chavers reported that the committee is responsible for putting up and taking down all seasonal decorations.

D. Chavers reported that signage has been placed in the recreational area to let people know who is and is not granted access. She stated that there are still individuals going in and there needs to be more signage placed. She reported that the gates are locked at night and then reopened in the morning. The security guard makes sure that it is locked at night.

D. Chavers reported that painting the fence will be volunteer work. She also reported that Jesse Smith mows the commons area weekly. She stated that he mows all of Rock Harbor three (3) times a year.

Social

Donna Sanger reported that the new Facebook page will be a tremendous asset to Rock Harbor. She reported all who hosted events for the past holidays. Sanger reported that the community will be getting together and going to the Claiborne County Fair and anyone who wants to go is invited. Sanger stated that the Facebook page would be a great way to communicate events and get-to-gathers. Sanger reported that in the future, she would like to see the community come together and have a picnic at the recreation area.

Security and Enforcement

Ben Parson reported he had heard that construction trailers had been broken in to. He reported that he and Mike Sanger has started patrolling the neighborhood. Parson reported that gates to the recreational area are locked but are not intended to keep residents from accessing the area. He informed the property owners if there were occasions that they needed the gates unlocked that could be accommodated.

Parson reported signage such as no hunting has been placed everywhere as well as speed limit signs. In an effort to keep down vandalism and robberies, the Claiborne Country Sheriff's Office will do a random patrol.

Parson reported on instance at the marina where two (2) storage boxes were broken into but nothing valuable was taken. For safety, solar lights have been installed to help with security.

Parson reported that the recreational park has signage that lists the rules for the area. He stated that if the individuals are not residents of Rock Harbor they are asked to leave. However, if the individuals are guests of residents they are welcome.

Architectural Control Committee

Mark Cade reported that Stephen Kramer and Larry Lamb are on the Architectural Control Committee (ACC). Cade reported that this committee is the first and best line of defense to make sure that the covenant is being followed. This committee ensures this is what residents intended to have when they purchased the lots. This is what makes it a premiere community. ~~Cade reported that constructions have to meeting the requirements. Cade commented that the committee has some ability to interpret what the covenant enforces, but the covenant needs to be followed. He stated that enforcement is handled by the board of directors.~~

Cade reported that the committee has issued five (5) building authorizations and five (5) houses have been completed. He reported that there are currently twenty-five (25) houses in the neighborhood. He commented that several are full time residents while others are part-time. Cade referred to the handout that indicated the houses that are finished as well as the five that are currently under construction.

Cade reported that the committee has had to make several calls on the status of construction site. He gave examples of informing people that they are not allowed to camp on their construction site, asking where the dumpster is for the construction site, etc. Cade reported on instance that there has been no communication at all. They have been sent a notice of potential violation and still no response. Cade reported that this construction was started under the Waterfront group and the construction has stopped. The ACC will take it before the board for possible action against it. Cade stated that it is a big responsibility to make sure that requirements are understood by property owners and builders.

Cade reported that the committee is there to assist the property owners in any way. He stated it was the best place to go for questions. He also stated that building guidelines will be posted on the internet website for property owners. Cade reported that his email was available if there was anything that he could help property owners with.

Marina

Larry Lamb reported last summer, storms created \$50,000 worth of damages on the marina. He reported the damages were turned in on an insurance claim. Lamb stated that D&T Docks is the company that he has been working with since committee members have taken over. Lamb reported items being fixed on the marina such as added steel, bolts replaced on the roof, cables, etc. All were due to the short comings of Waterfront Group. Lamb reported that wenches and weights will be replaced next year.

Lamb reported that the solar system had to be replaced due to the danger of explosion. Rock Harbor did not have a permit for propane tanks, so these had to be removed because it was a violation to TVA. Mike Sanger is a former electrician that has helped out with the marina boat dock.

Lamb reported that he has explanations for everything that was done to the marina boat dock and if anyone had questions he has details to explain them.

IV. General Q&A Session

S. Chavers reported that committee members gave a quick overview of the areas they are currently working in. It is now time for any questions, answers, or comments. S. Chavers stated if the answer could not be given today, then they will work to get an answer for the property owners. He stated that they now have a better community this year than they did last year. He commented that the next group elected can continue where we started. The current board is not trying to hide anything and there is an answer to everything and we will get it to you. He informed the property owners it was their property and the board is trying to make sure they get what they paid for. S. Chavers opened the floor for any questions or comments.

David Tomljanovich reported that he had some vandalism. He reported that someone stole the running lights off of his boat. He commended the board for their effort this past year. Tomljanovich asked if there would be any bathroom facilities at the marina and recreation area in the future. S. Chavers reported that they are looking into putting restroom areas in but there are some cost factors. The main focus has been to repair the dock so it wouldn't drain Rock Harbor on future expenses. S. Chavers stated that Rock Harbor needs a capital improvement plan. He stated that he would like to have bathrooms there in the future.

In the future, he would also like to have the annual meeting there. Tomljanovich asked if there would be a wave break installed. S. Chavers reported that he is working on an estimate of a wave break buoy system. He reported that not only waves affect our marina. He stated that fallen trees come from springs into the marina. He commented that they need to have harbor space limits. S. Chavers stated there are two phases for the wave break. The first phase is approximately \$180,000 in material from a company in Denver, Co. to Rock Harbor. He stated that D&T Docks could install it if it was purchased. The second phase approximate cost is \$135,000. Tomljanovich asked if grills could be placed at the recreation park. S. Chavers reported that grills could be installed at the recreation area.

Henry "Chip" Burwinkel reported that he had tried to use the basketball court over the years but there are always sticks and the goal doesn't have a net. Burwinkel asked if Jesse Smith could blow off the court and could a basketball net be added to the goal to make it useable. He also asked if any funds were received from the Waterfront group on the product and what is the number of liens and number in arrearage. S. Chavers informed Burwinkel to communicate that question regarding the number of liens with Larry Lamb. Burwinkel asked what percentage of dues have been collected this year. S. Chavers reported 84% has been collected in dues. Lamb stated that a retainer fee has been set up with attorney Danny Stone and he files the liens. Burwinkel asked what it costs to have a lien filed. Lamb reported about \$40 for a lien on arrearage. S. Chavers reported that Waterfront group paid for the fountains to be converted into planters; about \$5,500. He reported that Waterfront group also paid for the stairways to the marina.

Ronald Zmuda asked if there was a better quality versus stick or prefabricated home. Are there objections to prefabrication? He indicated that it would make the construction much faster. Cade stated he is in favor of prefabricated homes, but the requirements for Rock Harbor states it has to be stick built.

Lutz Weber stated that prefabricated homes are built in individual parts that are factory built such as walls, floors, and roof. Cade stated that this is not permitted with the current deed restrictions. S. Chavers explained that this has to do with changing the covenant. He stated that they cannot have modular homes because it was in the documents when the lots were purchased. S. Chavers reported on January 21st, 2035, if there is 75% in favor of the change, then they will be able to make that change. He reported that the association has the right to waive and modify the provisions of the document. He reported that he contacted the attorney to clarify his understanding. He stated that the association does not have the latitude to do a whole sale change. He stated the moment that whole sale is changed others who have followed the rules are violated. Ronald Zmuda asked if a lawyer could verify that information. S. Chavers reported yes and that he had talked with an attorney who specialized in real estate law the on August 11th, 2011.

Ronald Zmuda reported that there were lots of properties for sale. S. Chavers commented that some are due to auctions and bank foreclosures. He reported a lot a traffic looking for properties. He also reported that this winter would be the decline of sales and then hoping that next spring will be increase in sales. He stated that many people have postponed building plans until the economy gets better. Gaby Pozo reported that she spoke to a realtor and the realtor stated that she had been a lot busier this year than she had in the past three (3) years.

S. Chavers recessed the meeting at 2:10 pm and reconvened at 2:25pm.

S. Chavers reported that points of interest were brought up during the break that property owners need to be made aware of. If property owners want to prep their lots in anticipation of a year or more they are allowed to do this. If there will be major

excavation done, they must go through the ACC to ensure what they are planning on doing conforms to what they are required to do.

Henry Burwinkel reported lots that are open and were completely clear two years ago are not being mowed. *Burwinkel* asked if it was the responsibility of the property owners. *S. Chavers* stated it was the in the senescence clause that property owners have to maintain their property.

Henry Burwinkel reported that some lots have been under construction for over a year and a half. He asked if the construction crews are responsible for cleaning up the gravel in the roads. He also stated that the driveways should not be gravel. *S. Chavers* stated that the property owners are granted permission to have gravel driveways during construction. *S. Chavers* stated that the normal construction period is twelve (12) months. *Burwinkel* commented that the property he was referring to has been under construction for about twenty (20) months. *S. Chavers* informed *Burwinkel* that construction time frames are extended if there are legitimate reasons provided. *S. Chavers* stated as long as they are in their construction period, the property owners are allowed to have gravel driveways. After the completion of the construction, property owners have twelve (12) months to have the driveway either paved with concrete or asphalt. *Burwinkel* commented that the contractors should be responsible for cleaning up the gravel in the road. *S. Chavers* reported that Rock Harbor only had jurisdiction over the parking lot area, recreational area, and the parking lot at the marina. *S. Chavers* reported the rest of the roads throughout Rock Harbor are county owned roads and there are limitations to what can be done. *S. Chavers* reported that the contractor can be held accountable through the ACC committee; the property owner is responsible for the contractor's duties. *S. Chavers* indicated that there is a process for handling violations. The first step is to notify the property owner of the violations to let them know they are deviating. The second step is to send out a Cease and Desist letter based on the violations and give the property owner a time period of 10 days to respond. If the property owner is still not compliant then the Board will have a meeting to discuss the matters and give the property owner the opportunity to present their case. The Board will make a final decision. *S. Chavers* gave an example with Big City Construction. He reported that he had notified them that they didn't have a dumpster on the property and had to have one while it was in construction. The company had a dumpster delivered to the site. *S. Chavers* stated that they haven't had any issues with them since then.

Al Mayer asked if someone else could clean the lots instead of Jesse Smith. *S. Chavers* stated if Mayer wanted to hire someone to clean up the lots, then he could do that as long as the equipment didn't tear up the road. *S. Chavers* suggested Mayer contacting the ACC committee if it would be excavating or shaping up the property. Otherwise, he could do it himself if he wanted to. Mayer asked if the Board knew of anyone to hire or rent the equipment from. Ben Parson suggested Daniel Miracle. *S. Chavers* suggested Duncan Lumber has rentals or Big City Construction could be hired.

Al Mayer asked when the annual boat permit fee was due. *S. Chavers* reported the annual boat permit fee will start in January 2012. *S. Chavers* reported the registration of property owner's boats is to make sure that the boat dock is being used only by property owners. *S. Chavers* reported that property owners will be classified by seasonal or full time residents. Full time residents are residents who reside eight (8) or more months in Rock Harbor. Full time residents will be allowed to reserve a boat slip. *S. Chavers* explained the reason for the annual utility and user fee of \$50 for full time users and \$25 for part-time users. He explained the fee is to help cover variable costs that are associated with the marina such as utilities, anchoring cleats, etc.

Donald Hallingse asked what percentage of the boat dock was currently occupied. *S. Chavers* reported according to the registrations 49% of the dock was currently occupied.

V. Issues Requiring Membership Vote

S. Chavers informed the property owners that they should have one (1) ballot per lot owned, or a proxy to turn in for someone who could not attend and wanted to vote.

S. Chavers stated that he was in favor of waiving the fee for vessel on trailer/trailer only storage fee for the first year. The monthly storage fees in advance are as follows:

- Vessel on trailer - \$20 a month
- Trailer only - \$10 a month

S. Chavers opened the floor up for discussion regarding the matter. Local fees in the area were discussed and it was determined that the fees asked for by the Rock Harbor POA are below market pricing. A vote was taken and the fee will not be waived for monthly storage fees on vessels on trailer or trailer only storage. (13 – voted towards removing the fee component of the parking lot section of the marina; 15 – voted to leave the fee component as it is stated in the Rock Harbor Property Owners Association Marina Use Agreement).

VI. Final Candidate Nominations from the Floor

S. Chavers asked if there were any nominations from the floor. No nominations were announced.

VII. Statements from Candidates and Issues Advocates

Donna L. Sanger reported that she is running for Secretary for Rock Harbor POA. She reported that she and her husband are full time residents of Rock Harbor who reside on Alabaster Court since August 2010. She stated that she is on the Commons Area committee. Sanger reported that if elected, she would be able to assist the President and other officers of the POA in the various issues that need to be addressed in the development. As a full time resident, she stated that she would be available to assist in the many technical and operating decisions that must be made by the POA in a timely manner. She believes that many years of experience in the corporate industry would be an asset to the Officers and Board of the POA.

No other statements were made. Time was allowed for voting.

VIII. Election Results

Secretary Stephen Kramer announced the following five (5) directors as a result from the election:

- Seaborn W. Chavers, Jr.
- Gaby Pozo
- Larry Lamb
- Mark Cade
- Donna Sangers

Kramer reported that all received a minimum of sixty-seven (67) votes as required.

Kramer reported the Rock Harbor Property Owners Association Marina Use Agreement passed with 67-3 votes taken. Kramer also reported the following Second Amendment to the Bylaws of Rock Harbor Property Owners Association, Inc. was passed with 65-4 votes taken.

Amendment

- At the expiration of the initial term of office of each respective Director, a successor will be elected to serve terms of office as described in Section 5.03, Procedure for Election.
- Such Directors so elected shall each serve for the following terms: two directors for one (1) year, two directors for two (2) years, and one director for three (3) years.

IX. New Business

S. Chavers opened the floor to any new business.

Beverly Slayton asked if there was an alternative for driveways besides concrete or asphalt. S. Chavers reported that was the two options available under the covenant and it would be considered a whole sale change and at this time it cannot be changed. Henry Burwinkel asked if concrete pavers could be used. S. Chavers reported that the association has the right to waive plans and specifications. Reasons for waiving plans and specification will need to be filed with the ACC committee. S. Chavers stated if the property owner was considering to something that is equal or better than concrete or asphalt, then the association might be ability to waive it.

S. Chavers reported that the walk way's hand rail to the marina parking lot is broken at the base. S. Chavers stated that he has taped it off. He reported he and Mike Sanger will be repairing it in the fall.

S. Chavers reported Jane Kramer is working on the website for Rock Harbor. He stated she has put useful information such as vendor links on there.

X. Adjournment

S. Chavers thanked everyone for taking their time and attending the annual Rock Harbor Property Owners Association meeting. He also thanked Stephen Kramer and Jane Kramer for their value they brought to the association.

There being no further business, Stephen Kramer adjourned the meeting at 4:36 pm.

Signatures

Seaborn W. Chavers, Jr., President

Gaby Pozo, Vice President

Larry Lamb, Treasurer

Mark Cade, Member-at-Large

Donna Sanger, Secretary

