

**MINUTES  
ROCK HARBOR PROPERTY OWNERS ASSOCIATION  
ANNUAL MEETING  
Claiborne High School  
August 10<sup>th</sup>, 2024**

The Rock Harbor Property Owners Association met at 1:00 pm on Saturday, August 10<sup>th</sup>, 2024, at Claiborne High School, New Tazewell, Tennessee.

**Directors Attending:** Matt Bishop (President), Welsey Minton (Vice President/Treasurer), Daniel Martin (Secretary), Laura Scott (Director at Large), Steve Kramer (Director at Large)

**Owners Attending:** Mike/Tracy Adamson, Paul Berryman, Robert Brown, Susan/Mark Cade, Bryan/Teresa Epperson, Michael Fleming, Nathan/Melody Gilliam, Mark/Cindy Henderson, Shawn Hill, David/Trish Howard, Gary Johnson, Susan Johnson, Allan/Phyllis Klump, Karl Knight, Jr., Robert Kosky, Steven Kyle, Joseph Ledford, Janeta Leopardi, Robbin Martin, Thomas Maxwell, Sandra Mcguire, Timothy/Tammy Radmacher, Randall Scott, Laura Scott, Frank Sforza, Kevin Shomber, Michael Singer, Brenda Stedman, Meg Tramel, and Ronald Zmuda

**Guests Attending:** Denise Rex, Associa Tennessee; Jessee Smith, Smith Hydroseeding; and Frances Hensley, Meeting Minutes.

**I. Call the Meeting to Order and Welcome**

President Matt Bishop called the meeting to order at 1:08 pm. Bishop welcomed the property/homeowners and guests. Bishop reported that a QUORUM was established with sixty-six (66) represented either in person or by proxy.

**II. Introductions of Board of Directors and Special Guests**

Bishop introduced the current board members and special guests to the group.

**Board of Directors**

Matt Bishop, President  
Wesley Minton, Vice President and Treasurer  
Daniel Martin, Secretary  
Laura Scott, Director at Large  
Steve Kramer, Director at Large

**Special Guests**

Denise Rex, Associa Tennessee  
Jessee Smith, Smith Hydroseeding  
Frances Hensley, Minutes

### III. **Special Guest Speaker, Joe Brooks, Claiborne County Mayor**

President Bishop reported that Mr. Brooks was not in attendance.

### IV. **PVEC Fiber Update**

President Bishop reported PVEC is currently installing fiber cable in Sunset Bay and expects completion in October. Rock Harbor is next on the list for internet fiber cable to be installed. President Bishop reported to the group to expect minor disruptions during the installation. There will be small equipment to dig trenches and will go under the driveway to pull the cable. Jessee Smith reported that PVEC is doing a great job in Sunset Bay. The workers will need a staging area for equipment. There will need to be a designated area for this, more than likely near the common area. Bishop noted that there will be an approximately 6-month duration for the bulk of the install being completed in stages.

### V. **2023-2024 Summary**

#### **Common Areas**

##### Miscellaneous Repairs

- Marina walkway and fence at park
- Roadway potholes and ditch erosion
- Clearing trees, etc.

There were general comments and questions. One homeowner praised the Board and Mr. Smith for ensuring maintenance and clean-up are overseen. He further mentioned the cleaning of snow and tree removal from storms was remarkable. President Bishop mentioned the Claiborne County Road Department offered minor assistance to repair the roadway ditch erosion. The County has limited resources but is willing to assist. It was noted that the high erosion is due to the recent storms and high intensity rain.

At this time, Jessee Smith left the meeting for another obligation.

#### **Short Term Retal Litigation**

- August 1, 2022: Complaint (lawsuit) filed against Rock Harbor POA
- January 24, 2023: Rock Harbor POA filed Motion to Stay Proceedings
  - Due to pending Supreme Court review of Panharipande v. FSD Corp
- October 17, 2023: Supreme Court ruling on Panharipande v. FSD Corp
  - Ruled that short term rentals allowed under Residential land use
- July 25, 2024: Agreed Permanent Injunction
  - Ends litigation and avoids trial scheduled for September 17, 2024
- Agreed Permanent Injunction
  - Awaiting signed copy back from the Court
  - In lieu of the trial set for September 17, 2024, resolves all issues raised between parties.

- Rock Harbor cannot prohibit Plaintiff from utilizing properties for short term rental purposes.
- Does not affect the right of the Association to amend the Declaration or Bylaws and/or implement reasonable rules and regulations.

The Board encouraged the group to reach out if they had ideas for next steps on Short Term Rentals. However, Bishop noted there must be a majority consensus of all Lots to modify the Declaration of Reservations and Restrictive Covenants, and an electronic voting system may be needed for the vote.

**Short Term Rental Legal fees expended:**

- Quist, Fitzpatrick & Jarrard (original attorneys)
  - July 2022-April 2023
  - \$24,272.63
- Kennerly, Montgomery, & Finley (current attorney, Kevin)
  - June 2023-Present
  - \$6,174.00
- **Total \$30,446.63**

President Bishop reported that the litigation related to the short-term rentals in Rock Harbor had ceased. He further reported on October 17, 2023, the Tennessee Supreme Court ruled that Residential use of a property allows for short-term rental use.

Bishop reported an Agreed Permanent Injunction had been issued. However, he noted that the Declaration or Bylaws can be updated to implement reasonable rules and regulations.

There were general questions related to this topic. A homeowner inquired if the number of occupants in a short-term rental should be limited by the health department septic permit and restrictions for the dwelling. Bishop noted the question for future discussions on this topic.

**Marina Overview**

2024 Marina Usage

- Total Slips Available: 107
- Total Slips Occupied: 87
- The Marina was at 81% capacity this year and was at 87% last year.
- A total of 12 Lot Owners occupied multiple slips last year. If we reach capacity in upcoming years, those Lot Owners will be allowed to occupy only one (1) slip.
- 2 Boat lifts removed by Owners – currently not permitting new boat lifts.
- December 2023 – Established Marina Committee
- February 2024 – Replaced (2) anchors that had broken off.

- March 2024 – Finalized 2024 Marina Agreement
  - Minor revisions, fuel container restriction, no change to fee structure
- May 2025 – Completed survey for new walkway.
- May 2025 - Completed superstructure repairs.

### **Marina Committee**

- Led by Jane Kramer
- Mission Statement/Objectives
  - Assist Board with Marina Agreement
  - Assist Associa with Slip Reservation process.
  - Maintenance Oversight
  - Propose Budget
  - Evaluate Capital Improvements

There was general discussion related to the marina. A homeowner inquired if the electrical leak was resolved. President Bishop responded there was an inspection of the marina and the issue was not identified. A couple of electrical boxes were repaired, and all identified issues had been resolved. The electrical passed inspection.

A homeowner inquired about stickers for their boats. Bishop indicated that is in the works. The homeowner inquired about the process for reserving visitor slips. Bishop responded that the visitor would need a temporary sticker, and this will be part of the visitor slip process that will be developed.

A homeowner inquired about the marina being handicap accessible. Bishop noted this will be discussed later in the meeting but that the vision is for the marina to be more accessible with an improved walkway layout. A homeowner inquired as to the responsibility of the maintenance and operation of the marina. Bishop noted it is the responsibility of the 503 lot/homeowners. Last year the cost of repairs was around \$50,000 with around \$32,000 fees being collected. However, there were a lot of repairs last year, and the deficit should not be as great this year. The fee structure did not change for this year.

The marina committee will be focusing on a long-term plan for the aging marina. The POA is permitted by TVA to construct more slips when needed. Deeded slips could be also be an option in the future.

### **ACC Update**

- Several homes were completed this year.
- Seven (7) currently under construction
- Two (2) approved, pending construction start.
- Sixty to Sixty-Five (60-65) homes currently built in Rock Harbor

Bishop noted it is the desire of the Board to implement an ACC Committee.

### **Contract Services Administration**

- Previous Property Manager – Cedar
  - Terminated contract December 31, 2023
  - Transitioned out during January 2024
  - Cedar sent erroneous invoices in January 2024 without Board approval
- Current Property Manager - Associa Tennessee
  - Under contract through January 31, 2025
  - Base fee is \$10,200/year, Total fee around \$15-18k.
  - Board will meet with Associa this Fall to discuss contract renewal.
- Jessee Smith, Smith Hydroseeding
  - Under contract through December 31, 2024
  - Services include mowing, marina maintenance, snow removal, lawn care, shrub trimming, irrigation maintenance, and more.
  - The base fee is \$90,000 per year.
  - The Board reported that Jessee's contract will have to be renegotiated. There was a consensus that the POA members wished to renew Jessee's contract, if possible.

Bishop reported that Cedar Management group contract was terminated. Associa Tennessee came on board in early February with a one-year contract being signed. The Board was pleased with the work of the new company so far.

## **VI. Finance Update/Review**

At this time, Wesley Minton, Vice President & Treasurer reviewed the financial highlights as of June 30, 2024:

### **ASSETS**

- Fixed Assets \$2,103,998.47
- Accounts Receivable \$65,224.58
- Current Assets (Cash, CDs) \$273,379.21

### **LIABILITIES**

- Accounts Payable Net Total \$2,141.66

### **Key Expense items**

- Benchmark Topographic Survey (Marina Walkway) \$4,356.88
- All 4 Seasons/Sammy Robinette (Marina Roof and Structure Repairs) \$10,286.12
- Legal Fees \$5,092.00

### **Key Financial Notes**

- 78 lot owners still owe Property dues, Marina dues and/or Misc fees.
- 12 lots with unpaid dues over \$1,000.00 (These 12 are included in the 78 number above)

- A \$51,927.83 CD was renewed through Commercial Bank on a 7-month term at 4.95% rate.
- Through collection efforts, \$7,898.25 has been recovered in dues that were seriously past due. Collection efforts continue for other seriously delinquent accounts.
  - Total Bank Accounts \$260,379.21

Minton noted that there have been recoveries of seriously past due fees over the past year. The efforts to collect past due fees will continue and liens have been placed on properties. A homeowner commented that if fees by the lot/homeowner are not paid then that owner should not have access to the marina. Minton indicated this would be addressed.

## VII. 2023-2024 Goals

- Short Term Rentals
  - Lawsuit has ended
  - The board previously discussed obtaining Membership vote.
    - Board can implement “Reasonable Rules and Regulations.”
    - Membership can modify Covenants.
      - Will require utilizing electronic voting company.
- Marina Long-Term Plan
  - Setup fund for major repairs?
  - Build-out additional covered slips? Permitted for another eighty (80) slips.
  - Deeded slips vs. annual leases?
  - Marina Committee to help develop plan.
- Improved oversight of ACC Builds
  - Tree clearing
  - Erosion controls
  - Mud/gravel/debris in roadways.
  - Improvements to timeline requirements
  - Establish an ACC Committee – volunteers needed
- Maintenance/Repairs
  - Concrete repair at entrance
  - Parking areas
  - Playground/ball court
  - Signage updates
  - Gate replacement
  - Replace/Upgrade Marina Walkway
    - Wooden walkway at the end of its service life (+15 years)
    - There are sections too steep
    - Goals:
      - Redesign to make more accessible
      - Consider other upgrades
        - Add UTV parking?

- New bulkhead location
- Path forward:
  - Complete survey of ramp area (complete)
  - Complete design, TVA permit, solicit contractor bids (Fall 2024)
  - Construct new walkway (Winter 2024)
- Maintenance/Repair Expenses
  - Short Term Rental Legal Fees - \$31,000
  - Concrete repair at entrance - \$24,000
  - Parking area repairs - \$15,000
  - Ball court/playground repairs - \$5,000
  - Signage updates - \$2,500
  - Gate replacement - \$12,500
  - Marina walkway replacement - \$100,000
  - **Total - \$190,000**

President Bishop reported a special assessment may be needed to cover the expenses.

## **VII. Questions, Concerns, Topics of Interest**

Topics for member discussion:

Each Member present was given the opportunity to express concerns for up to two (2) minutes. A Member of the Board may give a brief response. Speakers must observe proper behavior and rules of decorum.

There were no questions at this time as all the questions had been discussed under the agenda item discussion.

At this time, President Bishop indicated that the questions would cease, and we would move into the Membership Votes.

## **VIII. Membership Votes**

At this time, President Bishop reported that there are 66 members present by mail or in person.

1. President Bishop reported that there are two (2) Board Members (Directors) to be elected.

The floor was opened up for candidate nominations. Nominations were made:

- Jim Gregg
- Karl Knight
- Mark Cade
- Other

A vote was taken, and Mark Cade and Karl Knight were voted by majority vote as Board Directors.

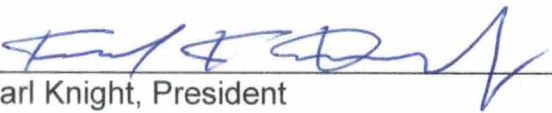
**IX. Closing and Adjournment**

With there being no additional business brought forth, a motion was made and seconded to adjourn the meeting. The motion carried unanimously. Bishop thanked all for attending and the meeting was adjourned.

**X. Minutes Review and Approval**


Minutes reviewed and SIGNED by the Directors below.

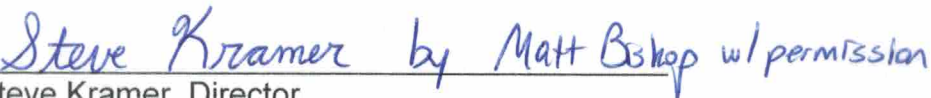
**Signatures:**

  
Karl Knight, President

  
Matt Bishop, Vice President/Secretary

  
Wesley Minton, Treasurer

  
Mark Cade, Director

  
Steve Kramer, Director