

BEAR PAW SERVICE DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
March 13, 2010 – 9:00 AM
DRAFT

Directors Present: Van Starbuck, Steve Darnell, Jack Smith, John Todd, Dave Jacobs, Arthur Lecours (Randy Barton BP Manager & Chrissie Howard BP Office Manager)

Directors Absent: Jack Kinney

Others Attending: See attached list (Attachment #1)

Call to order: Van Starbuck

Mr. Starbuck began the meeting by stating the first order of business is the reading of the minutes from the October 17, 2009 meeting.

Reading of Minutes:

Mr. Smith made a motion to waive the reading of the minutes and accept them as presented. Mr. Darnell seconded the motion. Motion was unanimously carried.

Financial Report:

Mr. Smith stated we recently completed our yearly audit with Turner, Ennis, Hatchett & Roberts. We had a very clean audit. To date we have received \$278,000 in collected taxes. The amount we had budgeted is \$283,000. We should have around \$5,300 coming in March. These collected tax amounts are a compliment to our property owners. Mr. Smith stated we do have a couple of budget amendments (see attachment #2). The Motor Vehicle Taxes, account # 33100, was moved because we have no way to separate the motor vehicle taxes and the property taxes when they are sent to us from the county. We carried over \$9,900 from Roads that was approved back in the June meeting. Because of circumstances such as cold weather, snow, using Claude a lot for snow removal, etc. we have exceeded our utilities, pool utilities and other budget areas. Mr. Smith makes a motion to approve the budget amendments. Mr. Lecours seconds the motion. Motion was unanimously carried.

Mr. Smith states \$100,000 was transferred into 4 CD's. We need to use our safety deposit box for these CD records since the bank is no longer keeping these documents. Van Starbuck, Randy Barton, Arthur Lecours and Jack Smith will have to sign for a safety deposit box. Mr. Smith states our Auditors suggested if we put something into the safety deposit box, we need to mention it in our meeting minutes. Mr. Smith states Mr. Barton has done a good job controlling expenses.

Roads:

Mr. Todd states based on the January 19th review by Mr. Barton and himself, an estimated cost for the year ending June 2011, will be \$225,750. This is what needs to be done at some point. Maybe some of the repairs can be done this year and some of them done the following year based on road condition, utilization, occupancy and cost of maintenance. For paving this year Mr. Todd states he requested \$50,000. For repairs such as mowing, etc, he requested \$79,000. Cherokee Circle and Nantahala Drive need to be taken into consideration. Mr. Starbuck states Jean Murtagh brought to his attention the deterioration on Ridgewood at Ridgewood Circle. Mr. Starbuck states there is a small amount left in the budget for road improvement and asks Mr. Todd if he plans on using it this year. Mr. Todd states we may have to but he doesn't foresee anything upcoming. Mike Maul asks Mr. Todd if there is a list of roads that are going to be graveled and that grading may not help some of the roads. Mr. Todd states he has not looked at some of the areas since January. Bruce Roydes states Whispering Pines Rd. is fine and he wishes it would be left graveled. Mr. Starbuck makes a motion to move \$4,500 from road improvement/paving to grading and gravel. Mr. Lecours seconds the motion. Motion is carried unanimously. Gene Swiger states he needs gravel on his road, Snowbird Lane. Mr. Lecours asks Mr. Barton if he travels the roads regularly to see which roads need grading, gravel, etc. Mr. Barton states yes and he does try to keep up with it. Mr. Lecours suggest Mr. Barton take the time to travel the roads and make note of the ones needing repairs. Mr. Lecours suggest Mr. Barton do this within the next month. Mr. Barton says he will do this. Mr. Todd states that is what he and Mr. Barton done in January and will do again in May.

Mr. Starbuck states at the last meeting we established committee's to look at activities in Bear Paw, communications, and long range planning. Mr. Starbuck turns this over to Mr. Darnell. Mr. Darnell states we need to gather info on Bear Paw's assets. Anything that is over \$500 should be noted. We should then determine what needs to be done with these assets. Roads should be included in our list of assets if there are improvements done on them. Mr. Darnell states we need to make sure we know the value of physical buildings, guard house, pool and any structures. The pool is an example of an asset that could be capitalized on. Mr. Darnell states Brooks Chesser had a good outline for this plan. Mr. Darnell states he is going to start working on this and then form a committee. Mr. Darnell asks Mr. Barton if he knows when we could get a completed list of our assets. Mr. Barton states he will start working on this. Mr. Starbuck states there are things we have to do but there are also things we would like to do. Maybe we should get input from property owners on some of these things. If we receive an overwhelming response from property owners then maybe we should let them decide how they want to pay for the things they would like done. Mr. Darnell states it should be up to the property owners if they want to pay for these things or not. Mr. Darnell states Mike and Mary Maul have offered to let Bear Paw put up a communications board down at the marina. Mr. Darnell asks Mr. Barton to find out how much it would cost to have a billboard made to put down at the marina. Trish Swiger states she would like to see more of Bear Paw's activities on the website. Mrs. Swiger states she offered last year to help with the website and is offering again now. Ron Taylor asks how many counts we are getting on the website. He suggests we do a survey in Bear Paw to see what property owners would like. Mr. Darnell states we have talked about doing this survey before. Mary Maul states we can link our website to the marina website if we would like. Mr. Darnell states we need to market our website. He suggests asking property owners how they would like to be communicated with and suggest we put this questionnaire in the newsletter. Mrs. Howard states this was done in last spring's newsletter. An insert was placed in the newsletter asking property owners how they would like to be communicated with. They could mail or email their response back in. Trish Swiger suggest pictures of activities, classes held at the clubhouse, pictures of events, etc. be put on the website. Mrs. Swiger states she believes this would make the website a little more fun. Mr. Darnell states this is a great idea. Mr.

Lecours states he is thinking of hosting a pancake breakfast the morning of the next board meeting. He states we could demo the website at this event to get property owners input on it. Mr. Darnell states this is a good idea. Mr. Starbuck asks Mrs. Howard to start sending out emails to property owners showing a link to our website. Mrs. Howard states she will do this. Dave Jacobs asks the board if it would be appropriate to approve Mrs. Howard taking activity comments from property owners and putting them on the website. Mr. Jacobs states this would generate community interest. Mr. Starbuck asks the board if there is any objection to Mrs. Howard doing this. There are no objections. Jean Murtagh asks about the people that are doing these classes and charging for them. If they use the electricity shouldn't they pay a fee? Mr. Darnell tells Mrs. Howard if an activity is questionable refer to himself or Mr. Lecours.

Managers Report:

Mr. Barton states we have had some issues with the pool this winter. Tri-State Pools is taking care of the O ring and check valve problem. The other problem we have is back in January when there were 16 days of below freezing temperatures, the pool produced 3 cracks and we started loosing water. When the weather breaks Tri-State Pools is going to try and fix this problem. Trish Swiger asks Mr. Barton if he means that we do not have a warranty on the pool because of the freezing weather. Mr. Darnell states he finds it hard to believe we didn't get some type of warranty with the pool. Mr. Barton states they didn't charge us for fixing the O ring. Mr. Darnell asks if water is still leaking out of the pool and Mr. Barton says yes. Mr. Darnell asks Mr. Barton if they pressure checked the pumps when they were working on it. Mr. Barton stated yes they did but they plan on doing it again. Ron Taylor asks Mr. Barton if putting a pool cover over the pool will prevent some of these things from happening. Mr. Barton says there are a lot of advantages to having a pool cover. Mr. Darnell states a pool cover will also help keep heat in. Mr. Starbuck states it will help keep out leaves and debris as well. Mr. Barton states he priced a pool cover last year and it was between \$8,000 to \$10,000. Mr. Barton also states other issues with the pool are complying with the Virginia Graham Baker Act, documenting the main drain is in compliance and equalizer covers. The equalizer covers will have to be purchased and installed.

Zoning:

5 new homes are currently under construction. There are 2 additions and 2 deck projects also taking place.

Security:

Dean Ware is going to be retiring at the end of September. Mr. Barton states he hired Orval Lejeune, a bear paw resident, and he is working out great.

Roads:

Mr. Barton states Mr. Todd pretty much covered the roads report earlier. We are still trying to put things together on the roads and Mr. Barton says he is still learning. At some point we may want to do some Chip and Tar.

Grounds:

Mr. Barton says he has been applying granular lime to the grounds and will have this finished by spring.

Insurance:

Mr. Barton states he approached 4 different insurance companies. State Farm and Nationwide could not do municipality insurance. It all boiled down to workman's comp and because we had a claim from Jack Gregory in 2008 our insurance increased about \$1,000. We did receive an 8% discount from Farley Insurance. Earthquake insurance was added to our policy for around a \$100 a year. We also added insurance on the pool for around \$100 a year. We have not had these included in our policy before now. Mr. Barton states we can also change our deductible from \$1,000 to \$2,500 and save \$200 a year if the board wished to do so. We currently have \$1,000,000 liability coverage on our directors and officers. Mr. Barton states he checked on \$2,000,000 liability coverage and it would cost around an additional \$400. Mr. Jacobs asks Mr. Barton to find out if we will have the same rate if we re-instate. Mr. Barton says he will do so.

Clubhouse:

Mr. Barton states he has been told by Claude Hughes the water that has been coming in along the clubhouse wall has been a problem for the past 20 years. Mr. Barton states he has bids from two different contractors. The first bid came from Custom Grading. Their original bid was \$13,600. They came back with a lower bid of \$11,600. The lower bid was a result of the contractor not back filling the dirt back in. The bid included taking the rock wall dirt out, installing a drain system and water proofing the wall. The bank left from this procedure would be at our expense to repair. The other bid and option was from All Dry. Their price was \$4,085. Their procedure includes installing an inside drain system with a sump pump system. This will have a lifetime warranty. Mr. Maul states it was dug out once before according to Wayne Roberts. Mr. Maul says he can't see the expense of taking it out then putting it back in. Mr. Maul states the type of system Mr. Barton is talking about is a patch job. Mr. Darnell asks if there is a drain outside. Mr. Jacobs states Truett is recommending French drain. Mr. Darnell asks if he will put another wall up. Mr. Starbuck answers no and to put the wall back the way it is now will probably cost around \$20,000. Mr. Darnell suggests the board consider these options. Mr. Starbuck states the board will put this on hold and talk to Wayne Roberts and find out from Custom Grading what it would detail if they didn't put the wall back.

New Business:

Jean Murtagh states the garage sale date will be either July 31st or August 14th and asks if anyone objects. Mrs. Howard states she will need to check the calendar to make sure no one has the pavilion reserved for those dates. Trish Swiger states she would like to see a plan to fix the clubhouse. She states maybe the ladies could put something together for the board. Mrs. Swiger also states the ladies are willing to help. Mr. Starbuck informs Mrs. Swiger it is a matter of budget. We have \$20,000 in the budget for clubhouse modernization but we may have to use some of this money to fund the repair of the water leakage problem. Mrs. Swiger states the ladies could do some of the work like painting, etc. if they knew what the clubhouse modernization plans were. Mrs. Swiger suggests we have a plan so that people may know what has to be done. Mr. Starbuck informs Mrs. Swiger Terry Woodworth does have a plan. Mr. Barton states Mr. Woodworth gave him a copy of this plan. Mr. Barton informs Mrs. Swiger he spoke with Mr. Starbuck about the upstairs and could work with the ladies on some of this such as the upstairs flooring. Ron Taylor asks if Mr. Barton or the board would consider snow removal. Back when we had the snow, Village Drive was iced over by the second day. Mr. Taylor states he was concerned about emergency

services being able to get over the roads in case of emergency. Mr. Taylor states Claude Hughes told him that he goes to Wayne's Feed Store and buys all the salt they have in the store. Mr. Taylor says Claude is willing to put a spreader on his truck but Mr. Taylor thinks we should consider a better plan. Mr. Starbuck states maybe we should start buying salt at the beginning of the year. Mr. Maul states we used to have the "help yourself" buckets of salt sitting out along the roads. Mr. Maul states also there was a deer shot on Lonesome Pine back in the winter by a non resident. Mr. Maul would like to see some type of policy put into effect concerning this matter. Mr. Barton states the guy said he shot the deer on the TVA power line and the TVA doesn't prohibit hunting there. Mr. Barton states the NO FIREARMS sign we have does not prohibit guns in cars or homes. Mr. Maul states the property owners own up to the TVA right of way. Mr. Barton states he has to approach this matter by what he is legally able to do. The law says you may shoot on your own property if you want to and if you want to lay a gun in the seat of your car you may do that as well. Mr. Barton states one of our security guards kept a gun of someone's that was coming into Bear Paw. The guard kept the gun until the person came back through the gate to leave. Mr. Barton states the guard was told never to do that again. Mr. Darnell states you can't stop a homeowner from coming into Bear Paw with their gun. Bear Paw is not private property except what the property owners own. Mr. Darnell states we follow the laws of the state and county. If someone is hunting in here it should be a Wildlife issue. Mr. Starbuck asks Mr. Barton to tell the security guards the policy is to call Wildlife if a situation like this occurs again. Mr. Starbuck asks Mr. Barton to also put this in the newsletter along with the Wildlife phone number. Mr. Taylor asks why not send the person that was hunting in here a letter saying Wildlife services will be called the next time this happens. Mr. Jacobs states he agrees the Wildlife Service is the appropriate service to handle this matter. Mr. Jacobs asks why Mr. Barton couldn't contact Wildlife Service and make Bear Paw a no hunting area. Mr. Starbuck asks Mr. Barton to check with Wildlife about this. Mr. Maul suggests getting someone from Wildlife to come speak at one of our meetings.

Mr. Lecours states he would like to host a pancake breakfast May 29th and he will get with Mrs. Howard about this. Mr. Maul states elections are coming up and the word needs to be put out about this. Mr. Starbuck states the newsletter will include candidates who will be running. Mr. Darnell asks Mrs. Howard to put a message on the website asking anyone interested in running to send a short bio in to the office. These bio's need to be sent in before the newsletter goes out so it can be included. Mr. Starbuck asks for any announcements. Mr. Lecours states he would like volunteers to help with the maintenance of the ski slope area. This would include clearing out some trees, cleaning up and putting in a couple of steps. Mr. Lecours states the slope was used some for sledding during the winter. Mr. Starbuck states Mr. Smith will be presenting a proposed budget to the board for discussion at our next meeting. Mr. Maul states trailer parking is going to be an issue. Mr. Darnell states we have already approached the issue and it will be put in the newsletter. Mr. Darnell asks Mr. Maul if he and Mrs. Maul would be interested in providing parking at the marina. Mr. Maul states they would consider it.

Adjournment: Mr. Starbuck made a motion to adjourn the meeting. Mr. Darnell seconded the motion. Motion was unanimously carried.

Date

Arthur Lecours, Secretary

***Attachments:**

Attachment #1 Speaker/Sign-in Sheet

Attachment #2 Budget Amendments

**2009-2010
BUDGET AMENDMENT**

I Propose an amendment to the current year's budget as follows:

MOVE TO:

| | |
|---|----------------------|
| 6415 Clubhouse Utilities | \$2000 |
| 6418 Clubhouse Emergency Repair | \$700 |
| 6436 Clubhouse Furniture Replacement | \$300 |
| 4343 General Admin. Web/Computer | \$500 |
| 6321 Pool Utilities/Maintenance | \$2500 |
| 6322 Pool Repairs | \$3000 |
| 6560 General Maint. Payroll | <u>\$1500</u> |
| Total | \$10,500 |

MOVE FROM:

| | |
|--|----------------------|
| 4212 General Admin. Utilities | \$2500 |
| 4310 General Admin. Legal Services | \$4000 |
| 4213 General Admin. Runover | \$600 |
| 5016 General Maint. Runover | \$800 |
| 5015 General Maint. Tools/Equip. | \$800 |
| 5001 General Maint. General Repairs | \$800 |
| 6112 Payroll Taxes | <u>\$1000</u> |
| Total | \$10,500 |