

Oakshore Park Property Owners Association, Inc.
Annual Meeting
March 4, 2005

Opening:

The 2005 annual meeting of the Oakshore Park Property Owners Association was called to order at 7:00 PM on March 4, 2005 at the Hugo Fire Hall by Nick Steckhan, President.

Present:

A quorum of 34 households was represented in person and by proxy.

New members Ron and Lori Trudeau were introduced (Moline's house).

Board members present included Nick Steckhan, President; Steve Koeppen, Treasurer; and Dave Black, Secretary. Carol Letourneau is also acting as marina chair person and will continue that this year.

Thanks to Kathy Black and Sharon Steckhan for setting up the meeting.

Noted that Chuck Svendsen is celebrating his 75th birthday and that he is the only double original owner.

A. Minutes of previous meetings

Minutes of the previous Annual meeting were approved without exception.

B. Treasurer's report

Approved as printed (see attached).

C. President's report on negotiations with the City of Hugo for sale of the park: Nick, Steve, and Dave met with the City in October. Although the property has been assessed at \$509,000 the City thought a value of \$350,000 would be more appropriate. All agreed that a price splitting the difference might be considered. Councilperson Petryk suggested that the City providing surfacing of the roads to a "rural road" standard in exchange for the park. The City needs to evaluate costs of doing that and would have them in January. They didn't. Nick met with the City in February and was told that our project is low in priority. A suggestion was made to donate the park to the City and the City would do the roads with homeowners paying 20%. The City Administrator is to have a proposal for the March 21 City Council meeting. Nick told them that we would look into selling the park elsewhere. The City Administrator noted that we were free to do that but that the City does want it.

Councilperson Petryk noted that because of a potential conflict of interest she has withdrawn herself from City consideration on this issue.

General discussion ensued. Points: the City has interest in our suggested swap (park for road surfacing) but needs to handle them as separate issues. We do have tax implications as a non-

profit corporation - capital gains and amount we can legally carry over to the next fiscal year - can probably get a note for future payments to get around this - we cannot disburse the proceeds to the membership - we will need to amend the bylaws to separate the park, to name City infrastructure as common area, etc. Some development property in the City has sold recently for as much as \$1.5M for 10 acres (the park/horse area is 10 acres with about 7 buildable). Could do a cluster development with more than 7 homes. There are precedents in the City for private surfacing of roads. The liability concern is still valid and more of an issue with more people.

Motion: That we solicit proposals for a single family residential development and review them.

Motion was seconded and carried.

Further discussion: should we surface the roads before getting sewer/water? Sewer/water is not something the City is considering and won't unless petitioned by us or mandated by other authority. There are three potential opportunities - sell to City, sell as part of association, sell outside of the association. Other than comment that sell as part of association would be worth more none were favored over others.

D. Marina report - new docks:

Due to the deterioration of our docks and the value the marina brings to our homes, we need to look into replacing the current docks (the existing docks date to 1982). Nick and Carol have each received quotes for docks. The one used for discussion purposes is one that Nick received for about \$27,000. The main docks and the T and L sections out at the end would be owned by the association - this would cost about \$18,000 or \$360 per household. Homeowners who want slips would buy those at an approximate cost of \$400 each.

General discussion ensued: points: existing docks are an insurance liability. Why should owners on Ethan have to contribute? Because we are an association and all pay equally. What about the ramp? There are a couple of plans being looked at - we can probably finance out of normal funds. Are there any permit issues (do we have to put out all sections each year?) - no. Can we clear the weeds better? more traffic will take care of this.

Motion: To install new north and south docks 140' long with a T at the end to be owned by the association and the cost to be divided equally per house.

Seconded and carried.

E. Old business. None

F. New business. None

G. 2005 budget:

Approved as printed (see attached). Dues are \$65.

H. Election of new officers:

Dave Black and Steve Koeppen have volunteered to stay on another year. Mike Faust has volunteered to join the board. Ron Trudeau volunteered. The volunteers were accepted to the usual wild acclaim.

The meeting was adjourned at about 8:30.

Special assessment meeting:

A special assessment meeting was convened to determine funding for the docks. As each special assessment is limited to 2 and ½ times the years dues, three motions were made, seconded, and approved with minimal dissent.

Each motion is for an assessment of \$125 per household.

Total of special assessments is \$375. (Total payment due is \$440).

Meeting was adjourned.

Respectfully submitted,

David M Black
Secretary
March 5, 2005