

LAKE POINTE HOMEOWNERS ASSOCIATION

ANNUAL MEETING

August 25, 2023, 3:00 P.M.

EAGLE BEND YACHT HARBOR

Call to Order: President Tom Nicewarner called the meeting to order at 3:00 and a quorum had not been met with 23 homeowners present and one proxy, therefore this will only be an informational meeting. Requirement for a Quorum is 36 attendees which is 67% of the Associations Members. At the end of the meeting there will be a time for Q&A.

Introduction of Members: Tom asked each homeowner to introduce themselves and give their address and lot numbers. Also in attendance at the meeting was Property Manager Dave Roberts.

Financial Report: Tom provided a detailed recap of expenses and income for 2022. Tom explained the income from the dispute on 74 Lake Pointe Way. The Builder was fined, and he paid \$11,138 but the Association paid \$7,727 for equipment expenses necessary to restore the home's siding to an acceptable condition. This year there will be additional claims for the restoration of the areas of the structure and additional fines for non-compliance of the terms of the agreement. There were also legal fees of \$4100 regarding a short-term rental issue. Lake Pointe HOA does not allow short-term rentals and our covenants clearly state that all rentals must be for a minimum of six (6) months. Owners of this property have been fined \$9,000. Another large expense that occurred in 2022 was the center pond aeration improvements totaling \$11,800. This expense included \$10,450 for electrical service to the aeration compressor. Tom reported that LPHOA closed the year

exactly within budget. The financials were approved by the homeowners with a unanimous vote by hand.

Presidents Report: Tom presented a detailed written report for the membership to read addressing maintenance concerns and the Architectural Committee report.

1. *The Front Gate:* There was damaged to the gate in the early hours by a red vehicle and cost \$2500 to repair, and took a week to get back into operation, but we have found a competent contractor that can maintain our gates in the future. Tom also noted that the right entrance gate is still not working properly and sometimes owners need to use the kiosk to reset the gate. The problem may lie with the receiver and right now our contractor is looking for a new receiver and battery back-up for the entrance and exit gates. If we experience a power outage both the entrance and exit gates will automatically open and remain open until power is restored. Last winter both entrance and exit gates remained open for an extended period and Jim Lynch helped solves the problem. If you see something that is not working correctly, please let Dave Roberts know.
2. *Pond:* Flathead Lake is now 2 ½ feet below full pool and this is a problem for us as our ponds water supply ultimately comes from the river. The situation now is that the water level is below an acceptable level to operate LPHOA's transfer pump pump that brings the water in for our center pond. That whole process has been interrupted by the low level of water in and around the immediate area. The golf course has rented a diesel pump that is running to help move the water and fill various ponds throughout the golf course as well as their irrigation system. Our well has been running 24 hours a day but cannot pump enough water to supply the center pond. It can however be

depended on to fill the northern most pond (the Mott) but it does not have enough flow rate to be the primary source of water to the center pond. With the remediation the Golf Course has provided and a period of transition both of our ponds are now operating at full level.

3. *Aeration on the center pond.* The installation of the eight aeration diffusers has made an incredible difference in the chemistry of the water in the center pond. The Board has employed a licensed company, Amaruq Environmental Service, to help us through the process of solving the weed and algae problems. We receive our water from the golf course ponds on Osprey hole # 2 and if they are not treating the weeds and algae they will be transferred into our ponds. The Board has sent them a proposal to treat the pond and they have not responded. Tom will approach management at the golf course to see if they can come to an agreement. To purchase an aeration fountain in this pond, which we are not the owners of, would cost around \$12,000. To chemically treat the pond against algae and weeds would cost around \$1500.
4. *Fountains:* Last year the Board talked about fountains at the Annual Meeting, so Tom brought a picture of 3 different spray options; Classic, Trumpet and Crown & Trumpet. They are non-illuminated and will only be operational during daylight hours. The current cost of five (5) units is \$18,000. Installation costs have not been determined. The size of the spray for a ½ horse motor is 13 feet in diameter and about six (6) feet high. The motors are loud and would not run 24 hours. The fountains help with the aeration of the water, but they also increase the evaporation of the water and so there will be an additional need to continually add water to the ponds. Tom said the Board first needs to find out if the association is in favor of purchasing five (5) fountains. There

is an option to double the horsepower to 1 HP fountains and basically double the height and diameter of the spray which would also double the costs of the fountains.

5. *Street Paving and Sidewalks:* The LPHOA road system is about 24 feet wide and three quarters of a mile long. The Board has walked the roads and is seeing exposed aggregate and some erosion issues. This is largely due to the construction trucks over the years and our annual weather patterns. Five years ago, we discussed the large items we should be saving for future major expenses. An Asphaltic overlay is and continues to be the number one expense that the HOA needs to recognize and plan for. The Board has estimated an outlay of \$285,00 to construct an asphaltic overlay. Over the last five years prices have fluctuated somewhat but the major increases have been for labor and equipment. No decision regarding timelines to begin the process was made as to repairing the roadways.
6. *Covenants:* LPHOA covenants were first recorded on October 25, 2005. They were amended in 2007 and a Declaration of Annexation was recorded in 2009, but those changes were never blended into the original Covenant document. There are four (4) documents that tie to the Covenants, the Bylaws, the Articles of Incorporation, the Lake Pointe Rules, and the Design Guidelines. None of which are recorded by the State of Montana. The “Lake Pointe Rules” do not exist, but they are referenced in the Covenants. Contrary to the other documents, the Design Guidelines have been updated numerous times over the years. Tom brought to the meeting the Plat drawings of Lake Point at Harbor Village that are recorded at the Flathead County Courthouse. Tom also quickly explained that in 2019 a bill was passed in the Senate stating that if an HOA changes their

Covenants, they cannot violate an owner's basic property rights. If an amended Covenant violates an Owner's basic rights, then their property would be covered by the original versions of the Covenants. Nothing in the revised version of the Covenants that are proposed will further restrict the basic rights of any Owners. In the Covenants there are countless references to Rocky Mountain Recreational Communities LLC and to the Declarant of which neither one no longer exists. The goal is to take out all references to the Declarant and the Rocky Mountain Recreational Communities, LLC from the Covenants and to blend all the subsequent recorded amendments, recorded property descriptions into a new and improved easy to read and understand document. In addition, the Articles of Incorporation, the Lake Pointe Rules and the By Laws will also be modified to reflect the amended Covenants. Tom has begun scratching out what does and does not apply. Two minor changes will be added to the Covenant being a transfer fee amount of \$500 when a sale of a Lot/Residence is closed and an increased in the fine amount when someone violates the terms of our property lease statues (6-month minimum lease) i.e. no short term rentals.

This is a large undertaking to amend the Covenants. It takes 67% of approval by all Members. Montana law states that an amendment to a Covenant takes voting within a 30-day period. This vote can take place by email, in person at a meeting to do so, or a zoom meeting, but everyone must vote yes, or no. Tom sent to all the homeowners the preliminary documents for the homeowners to review. It is posted on the website.

The Covenants, the Bylaws and the Rules are not coordinated in their meaning or terms. Some examples of those are speed limits, yard art fires in non-contained areas, and National Holidays and the associated

decorations time limits for displaying are not always where they should be noted in the myriad of documents associated with the HOA.

Bylaws speak of meeting requirements, Board of Directors duties, Officers designations, Finance and Assessments and how business is conducted by the Board. Lake Pointe Rules should be about what is acceptable and what is not acceptable within the confines of the Common areas.

Tom will work on the Covenants first and then the Bylaws and Rules. His goal is to communicate a cleaner packet than what homeowners have received in the past. He is striving to have a semi-complete document and then review how this will work with the Bylaws and the Design Review Committee and the Lake Pointe Rules.

Stuart thanked Tom for all his continued work on everyone's behalf and those in attendance heartily agreed. Tom asked that members write in their suggestions and a time limit will be issued as Tom wants to complete this as soon as possible. He has not presented this to the LPHOA attorney as he is trying to keep the legal fees down.

Tom announced that he will be retiring from the Board once this special project is done. He has served on the Board since 2016 and he will be glad to help in the transition. He and the other Board Members are focused on all things associated with the care and upkeep of the neighborhood insuring to the best of their ability the property values are kept as desirable as can be achieved.

Tom reviewed the letter he had written to Flathead County Planning and Zoning regarding the Adam Britt short term rental housing project on the curve of Holt Drive. Mr. Britt applied for short-term rentals. He

also had to apply to the Health Department. They refused to accept his design as he claimed 1 structure and in fact there are five (5), so now it is not able to go forward. The homeowners need to keep objecting and we need to continue to write more letters to the planning committee regarding traffic, parking issues and lack of resolve with Bigfork Water and Sewer. He has every intention to build more to the left of this main structure.

Minutes will be posted on the website and the Board will be using the website to communicate with all homeowners. Tom has been sending out emails that are not on the website, but when it comes to the meetings and the Financial Reports they will be posted permanently. From now on the website will be how we communicate. The Board will not be mailing letters, this will all be on the website.

Open Discussion: Stuart said the willow tree needs to be trimmed. Tom said Trees for Life will come and trim this as well as the juniper tree growing between fence and sidewalk.

Contracts for snow plowing and landscape will be reviewed. The landscape company has been struggling as they have lost a key employee and co-owner Erin has been ill for two (2) years and their work has suffered. We have many problem areas such as the entrance where the five aspen trees and ground cover are located by the center pond in addition to the area under the Lake Pointe signage on the stone wall facing Holt Drive. The Board will review the landscaping maintenance contract expanding the existing scope of the total area of concern.

Adjourn 5:00 p.m.

Bugsy Yarbrough Recording Secretary