

Overlook Bay Property Owners' Association Board Teleconference
2/23/2016

Minutes reviewed and approved by BOD

Those present were Phill Combs (P), Ken Taylor (T), Bill Yri (S), Jack Koenig (VP), Tom Gill (M) and Lisa Combs (M).

Phill Combs opened the meeting at 8 pm, but was not able to call it to order until about 8:12 when Bill Yri signed on.

Old Business:

1. Ken noted that a financial report had been e-mailed out to Board members and that, in addition to the amounts reported, he had received \$3,000 in dues just today.
2. Ken had an update from our insurance carrier regarding the impact installing an emergency helipad at the entrance would have on our insurance rates. Bill had obtained rough estimates for heliport construction that would meet TN and FAA design requirements to be licensed. The rough estimate was \$25,000 and the State had flown a helicopter out over the proposed site and provided an initial "looks good" for our site to be used in a formal application package. Before asking the Board for approval to submit the needed application, we wanted input from the insurance company as to the impact to our insurance. The insurance company indicated that we would need specific coverage for the heliport and that it would cost approximately \$20,000 a year. With that kind of impact, we will just document what we have done and will not proceed toward a licensed emergency helipad.

New Business:

1. Phill had asked Ken to research the delinquent balances on the lots in OB. Ken stated that we still have some old delinquent balances in the records even though by TN law, Bankruptcy or Foreclosure action would terminate those liabilities. Ken has kept those delinquencies in the historical record because our Covenants state the liabilities could still be collected, however, the Covenants are in conflict with TN law. He has checked with collection lawyers in various states and has found that it would cost several times more than the delinquency amount to even attempt to collect the funds. This was one of the reasons we were trying to update our Covenants at the last annual meeting – to eliminate this conflict with TN law. In discussion with the lawyer, in order to clean up the books by writing off these liabilities, our Board will have to vote on each such item to void them. He has advised us that if any of these bankruptcy or foreclosure liabilities were to be challenged in court, a TN court would not side with the Covenant interpretation regarding the collectability. We will continue to research the opinions on this before deciding on the best approach to handle this issue.
2. The Board received a letter from a homeowner who has a waterfront lot (104). He says the TVA is telling him that they issued a Harbor Ruling in 2007 that makes his lot non-dock able and is concerned that an inability to get a dock permit would greatly impact his ability to sell his lot. We know that the TVA has our harbor area split into two harbors: one for Flat Hollow (60% of the water area) and one for Overlook Bay (40% of the water

area). We believe that ruling only dealt with Flat Hollow. We are advising him to re-contact the TVA and ask if they mixed up the 2 harbors when they told him he could not put a dock on his property.

3. Our Board received a letter from Home Federal taking issue with the verbiage in the newsletter that went out with the dues statements wherein we stated that Home Federal had not voted on the Covenant issue for the 18 foreclosure properties they hold. We understood that they just did not have enough time to review the issue and therefore had not voted on that issue. We have had a good relationship with Home Federal and the other banks we deal with, so this is a concern for us. Our lawyer has advised us we can work this out and it should not be a big deal. He is having discussions with Home Federal to resolve this and we will be sending out a clarification to the homeowners.
4. The new construction underway on Tack Trail is still creating issues on Tack Trail. They are damaging the connecting ramps from the asphalt road down to Tack Trail using pickup truck and vans without 4-wheel drive in wet weather by using the steeper ramps and not driving to the flatter end entrance and exit locations and are creating a lot of damage to the ramps. We will prepare a warning to present to the homeowner and will then present tickets with fines for further damage.
5. We formally voted on using Sean Combs for some security work in addition to his maintenance activities. We had voted in a previous meeting to ask him if he was interested in doing the work and he has now accepted. A formal motion was made and seconded to approve Sean for the work. The vote was unanimous to approve.

A motion to adjourn was made at 9:20 pm which was seconded and approved.

Respectfully submitted,

Bill Yri (S)