

GERLE CREEK SUMMER HOME ASSOCIATION
Annual Meeting: June 28, 1997

Mike's Copy

President Bill Dillon introduced Dave Bover, Department of Forestry, who provided the following annual update.

Dave Bover:

LAND EXCHANGE DISCUSSION UPDATE -

There had been recent discussions about the Federal government negotiating an exchange of some El Dorado National Forest Land around the Gerle Creek area for some privately owned land that feeds into the Redwood National Park area (Headwaters). The owners were contemplating logging the area, and the Federal government was evaluating the value of the land and timber in the El Dorado National Forest area for potential exchange. Ultimately, the El Dorado National Forest land being discussed turned out NOT to be around Gerle Creek, and the owners of the other land decided they did not want land anyway, they wanted cash, so the whole discussion is on a back burner now.

Forestry is negotiating a land exchange with SPI to obtain about 15 to 25 acres next to the east shore of Union Valley Reservoir. SMUD is developing a pike trail at Union Valley, and this particular piece of land owned by SPI cuts into about 5 miles of the proposed bike trail area. So Forestry is exchanging a small, isolated parcel of land for the SPI land, in order to facilitate an uninterrupted bike trail.

Forestry is acquiring privately owned land around Pearl Lake, Bassi Falls and the trail at Big Silver Creek which intersects and interrupts trails in those areas.

Fam Campbell is the individual in El Dorado county who coordinates the land exchanges.

OTHER MISCELLANEOUS "HAPPENINGS" -

Crystal Ranger Station is being remodeled. New, accessible bathrooms, a new porch, etc., will be built to make the building more useable.

Two vehicles are still stuck at Camino Cove peninsula, as the water rose unexpectedly and they were unable to leave.

Wrights Lake campaigned for funding and have been granted \$800,000 for rehabilitating the area (roads, boat launch, camp sites, etc.).

The forest service helicopter will be used to transport and place our water tanks up on the hill, probably in the next few weeks.

DISPOSAL SITE -

Use the quarry for slash. Water bars are about as flat as Forestry can get them. Don't spin your wheels on them. At the end of the season, clean the water bars out so water flows - Forestry and L&L will do the same. Keep the gate to the disposal site locked, so it will not be used as a camp site. Forestry, in response to a request from us, indicated they will put a "Fire Road - Keep Clear" sign at the gate, to discourage campers from parking there.

CABIN OWNERS' QUESTIONS/FORESTRY SERVICE RESPONSES -

Are L&L employee cabins being built in the area?

No. L&L can use certain trailer slots in the government housing area behind Crystal Station (about 5 spaces). There are 10 spaces, and one is used for the helicopter pilot, relief pilot, SMUD office, etc.

Are there any plans for putting a host at Airport Flat?

No. There are no plans for putting a host at Airport Flat.

Why didn't Forestry gravel all the way to our gate?

There was no reason to spend taxpayer money to put gravel all the way to the gate. This is not a public facility.

Are there any plans to put additional dumpsters in Airport Flat Campground? (Campers walk into the cabin tract to dump garbage; seems like one dumpster down at Airport Flat is insufficient. Also, seems to draw bears.)

The garbage company has a limited number of bear-proof dumpsters. They will replace them as dumpsters become available. Bears seem to be a concentrated problem at Gerle Creek. Forestry will talk to the campground clean up personnel regarding the schedule for garbage pick up, but doubts they can increase the number of pick ups. Possibly another dumpster can be added.

What is the status of the lower road clean-up project? (This was to be a cooperative effort between Forestry and the tract, for the purpose of hazard abatement activity. The slash/downed trees/etc., between Wentworth Springs Road and the lower cabin tract road would be cleaned out.)

The personnel who would have been involved in coordinating the cooperative effort clean up and who was aware of the project left for another job. Forestry will schedule the clean up when a new person is hired.

What is the status of Ice House Road repairs?

The Forest Service did a Damage Survey Report on Ice House Road. That survey resulted in an estimated \$1.5 million to fix the road. The county contracted someone else to look at it, and they estimated \$4 million to fix it. Based on the amount of traffic, the county does not view Ice House Road repair work as a priority.

Why doesn't Forestry enforce against loggers who go through stop signs?

The Forest Service does not have jurisdiction on the County road.

Forestry has asked the CHP to enforce the road laws, but so far Dave does not know of any tickets being issued.

There were no further questions. Bill Dillon thanked Dave Boyer for his presentation to us.

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The annual meeting was called to order by President Bill Dillon.

Myrna Fluke called the roll. Each cabin was represented in person or by proxy except cabins 4, 5, 6, 9, 15, 16, 18, 20, 36, 40, and 45.

MINUTES OF 1996 MEETING/FINANCIAL REPORT REVIEW -

The President asked everyone to review the minutes of the last meeting and state any changes which need to be made. No changes were stated. Larry Gondola made a motion that the minutes be accepted as read. Dave Frink seconded the motion. The motion carried.

Each cabin represented was provided a copy of the Financial Report which also contained a list of Regular Expenditures, Expenditures On The Well, and Invoices from Robert Dawson Drilling.

The President briefly reviewed the Financial Report stating:

Total funds available as of 6/30/96 = \$25,206.88.

Total deposits = \$13,688.37.

Total expenditures = \$24,791.18.

Total funds available as of 6/28/97 = \$14,104.07.

The breakdown of the total funds is:

Water Fund = \$12,716.26.

Checking Account = \$1,387.81.

1997 GENERAL ASSESSMENT/WATER ASSESSMENT/DISCUSSION -

The President stated that the General Association assessments are \$2,896.50. That, divided by 41 cabins is \$70.65, rounded out to \$71.00 per cabin.

The President also stated that there are still materials needed for water tanks, the pumphouse, etc., therefore the Board has suggested a \$200 per cabin assessment for the water fund.

The Committee gave our needs/requirements for a heavy duty/commercial made/industrial service propane generator to three generator manufacturers. The Committee is looking into the 12KW Koehler which was recommended by the manufacturer. It will cost approximately \$6,500.00.

With regard to water tanks, the tract has received approval from Christine Mearse to use polyethelene cross-linked tanks. The manufacturer recommends setting these tanks in P-gravel. These water tanks cost approximately \$3,000.00 each.

If it can be coordinated, we will utilize the Forest Service helicopter/pilot to place the water tanks behind where the current tanks are. All of this has been approved by Christine Mearse.

Two of the existing three tanks will be dismantled. We have received approval from the Forest Service and the County to maintain our existing water system for emergencies such as fire.

The water production of the well was an average of 20 gallons per minute. The pump sits at 521 feet, and is a 3 horse, 19 gallon per minute pump.

A question was asked regarding what would happen if there was a problem and the generator went out. Bill Dillon responded that, the way things are being set up, there will be water in the tanks. Nick is going to build a pressure tank at the well site (like a toilet mechanism) which will fill our two 2,500 gallon water tanks. Also, the way things are being set up, any generator problem can be fixed quickly.

For example purposes, the President explained that Loon Lake has a 10,000 gallon tank. They run their generator on Monday and Friday to keep their tank full.

It was asked why the Financial Report continues to indicate \$40 for gas for the pump, when we are not using the pump. Larry Gondola stated that expense would be dropped.

Vote:

The President reiterated the proposed general assessment for each cabin is \$71.00 and the proposed water assessment for each cabin is \$200, payable in one check. Ray Bitterman made a motion to accept these assessment amounts. Rick Rodgers seconded the motion. The motion carried.

A question was asked about when the water project would be finished. The President explained that we want to finish the project this year. However, if that is not possible, Christine Mearse has indicated that, as long as we show an effort to comply with the requirements and continue to do what we're doing to complete the project, we would be granted an extension on the September deadline.

The President explained that this water project is a huge effort. Other tasks, such as the installation of the fire hydrants, have been put on the back burner in order to concentrate our resources on the well. The President requested a show of hands of those willing to take charge of a work party for the fire hydrants. There were no hands raised (but there was a good deal of chuckling). The President emphasized that ALL are welcome to help in any way they can. He reminded summer homeowners that when you see a couple of people working on something, THAT is a work party. Please join and help out.

DUMPSTER -

Many cabin owners have expressed concern regarding the fact that campers at Airport Flat are using our dumpster, leaving cabin owners an insufficient amount of room to dispose of their garbage. Additionally, the bears' attraction to our dumpster continues to be a problem. However, the cost of a "bear proof" dumpster is approximately \$300 per month. The question whether or not a combination lock could be put on the dumpster was asked. The response was that the company does not want a lock on it. The question was asked whether the cabin owners wanted to maintain or discontinue dumpster service. A vote was taken, which resulted in a majority (23 of the 31 cabins represented, including proxy votes) voting to maintain dumpster service.

ASSOCIATION INSURANCE -

The question of why we have tract insurance has been raised. The President explained that as a corporation, the liability insurance we have protects the Board members from being sued. We currently have \$500,000 liability coverage which includes coverage for injuries and fire damage. Also, we have \$5000 medical expense coverage. Additionally our buildings (i.e., pump house/tanks) are covered for \$28,000. The generator is covered against vandalism. The President will research whether or not the generator is covered against theft.

A question was asked why Gerle Creek Tract has this insurance and other associations do not? The President responded that other associations have Forestry roads which pass through them which are not maintained by the tract or association. However, because of our gate/private roads and our water system we have a liability. Given the increased usage of Airport Flat, entrance into our tract by people using our dumpster, etc., it is important to be protected from lawsuits.

A statement was made that we must bear in mind that the amount of liability coverage we have is not the most important thing. More important is the fact that if the tract gets sued, the insurance company will provide a defense for the tract, which otherwise could become extremely costly.

A motion was made by Mrs. Messenger that the coverage for theft of the generator be researched. George Weimer seconded the motion. The motion carried.

PROPANE GAS -

The President introduced Hank, from National Propane Gas. Hank stated that National has been in business since 1953, and has been in business on the West Coast for the last two years.

National leases tanks, both 250 and 500 gallon. If National was to become the propane provider for us, National would go through and check the tanks/regulators/pigtails etc. at no charge to ensure there are no problems. Hank stated that he would provide propane service in the tract if 21 cabins would commit to using National Propane Gas company. Hank stated that the lease on 250 and 500 gallon tanks is free the first year, and \$50 per year each year after the first year. He also assured us that gas leaks take top priority, and that they are on call 7 days a week/24 hours a day. National's current charge for propane is 95.9 cents per gallon. National obtains its fuel from the same supplier as American and Suburban use. Hank also stated that he would be willing to maintain the pricing of the propane below that of his competitors.

The cost for a special trip would be a \$20 trip charge. Hank would commit to making 3 trips per year.

Hank was asked at what point he would top-off a tank. He stated that he doesn't mind putting in even 10 gallons to get you through until the next trip - he stated that he would top off tanks which were at 68 percent.

Hank stated that National's Service personnel also service Servell refrigerators. They will also do repairs on owned tanks.

The removal/reinstallation procedure was described as follows: National will move the old tank which you are leasing from another company, install the tank which you will be leasing from National, put the gas from the old tank into the new tank.

Those cabin owners interested in switching to National Propane Gas are to sign up with Norma Dillon, indicating your preference with regard to being "topped-off" or not.

The President stated that AAA Propane had been invited to come to the meeting today and did not feel it was necessary.

NOMINATIONS -

Nominations for Board Members, submitted by the nominating committee were Wayne Fluke, Dave Frink, Wayne Lile, and George Weimer. Larry Gondola nominated Ray Bitterman. The three Board members who are to be replaced are Wayne Fluke, Rod Browning and Dave Frink.

Secret ballot voting was conducted, and the newly elected Board members were Wayne Fluke, Dave Frink, and Wayne Lile.

Nominations for President were held. Ray Bitterman nominated Bill Dillon for President. Larry Gondola seconded. Ray Bitterman made a motion to close nominations. Ed Fietsch seconded the motion.

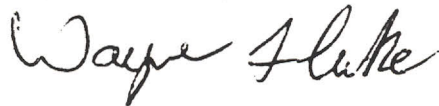
ADJOURNMENT -

Rick Rodgers made a motion that the meeting be adjourned. Ray Bitterman seconded the motion, and everybody pretty much dismissed themselves.

YAHOO!

Respectfully submitted,

Wayne Fluke, Secretary

A handwritten signature in cursive script that reads "Wayne Fluke". The signature is written in dark ink and is positioned below the typed name.