

Mill Creek Summer Homeowners Association – Board Meeting  
December 15, 2018 – Draft Minutes  
14640 Paynes Creek Road,  
Red Bluff, CA 96080 (home of Mark Black)

1. Meeting Called to Order: 10:05 am

Present: Mark Black, President; Jaydene Chesini, Vice President; Tim Coyne, Treasurer; Bill Loker, Secretary; Janice Heckerson.

2. Introduction of Guests: No guests present

3. Assure quorum present: Yes

4. Approval of Minutes: Minutes of September 3, 2018 were approved as amended.

5. Treasurers Report – Tim Coyne

a. Bills and Payments: Treasurer Tim Coyne presented a detailed overview of finances in the fiscal year to date and projections to end of fiscal year (6/30/19). Finances of MCSHA are sound, assuming that all cabin owners pay the \$100 Special Assessment passed last Board meeting and billed in November. Under that assumption and current projections for major expenses like Common Land clean-up and hazardous tree removal, the Association will have a positive balance of approximately \$3,000 for FY 18-19.

b. Delinquent Dues: Current delinquent dues amount is \$1,440. This is the lowest amount in Treasurer's memory. Delinquent property owners will receive a note from Board President Black and/or MCSHA attorney Einhorn. Next step is lien on property.

c. Special Assessment Update: Invoice for \$100 Special Assessment sent out in November 2018, payable by December 31, 2018. To date, 70 of 119 cabin owners have paid.

6. Old Business

a. Common Lands Committee discussion: Espinoza Landscaping completed common lands clean-up in Upper Ash area and Lot C (below Cabons 17-20). Almanor Tree Service removed all identified hazardous trees from common lands except for three remaining trees near Ash water tanks.

Management of Common Lands continues to be a major expense. President Black suggests the re-establishment of the Common Lands Committee to establish goals and timeframes for maintenance activities. It was suggested that Board Member Pat Schimke would be a good leader for this committee. President Black will discuss with Schimke and outline issues.

b. Welcoming New Cabin Owners: President Black explained the necessity of providing a warm welcome and clear information to new cabin owners regarding the norms of the Mill Creek community and our CC&Rs. There is and will continue to be turnover in cabin ownership. New owners need to be advised of important rules such as restrictions on rentals, quiet hours, leash rules for dogs, the importance of water conservation and MCSHA dues, as well as community events such as the 4<sup>th</sup> of July parade, cabin owners' meeting, and special events organized by Mill Creek Resort owners, Joe and Jillian. Currently we lack a concerted effort to work with local realtors and title companies, many of whom contact the Treasurer regarding dues. *Jaydene Chesini offered to draft a welcome cover letter and circulate to local realtors along with the current booklet that summarizes Mill Creek norms. Janice Heckerson offered to assist Jaydene.*

c. Archiving MCSHA documents: The Board recognizes the importance of maintaining clear documentation of issues and decisions of importance to the MCSHA community. Currently there is no systematic means of retaining and archiving documents. These are currently stored in a series of binders and boxes. *Secretary Loker will look into the cost of scanning paper documents into electronic files including the President's binder, Treasurer's binder and Secretary's binder. Treasurer Coyne will contact MCSHA webmistress, Amy Webster, to assess the feasibility of using the MCSHA website as a home for documents. Other options will be discussed with relevant professionals. It was noted that some expertise in this area exists in the MCSHA community.*

d. Reserve Funding. Treasurer Tim Coyne investigated various standards for generating and retaining sufficient reserves for the MCSHA community. While accepted standards are difficult to find, Treasurer Coyne suggested that a reasonable reserve would include enough money for ongoing Common Land maintenance and periodic (every 10 years?) road replacement/repaving. Recent work on road repaving/replacement costs ~ \$60,000. Ongoing common land maintenance is about \$20,000 per year (hazardous trees, clean-up). Treasurer Coyne recommended that MCSHA begin funding the Reserve account with \$8,000 from the MCSHA certificate of deposit, with the goal of contributing \$6,000 per year from MCSHA dues to build the \$80,000 reserve. **Chesini moved, Loker seconded: Start a reserve account for road replacement and common land maintenance by withdrawing \$8,000 from the MCSHA CD with the goal of contributing \$6,000 per year for eventual road replacement. Passed unanimously.**

e. Renters and Full-time Residents. President Black reported on his research on the issue of cabin owners exceeding the 14 days per year rental limit on cabin rental. It is evident that some cabin owners are renting their cabins in violation of the CC&R Article 4.10. However, President Black indicated that it is difficult to track precisely how many days a cabin is being rented. Tracking this is necessary to determine when a cabin owner is in violation of the CC&Rs. It is also difficult to distinguish paid rentals from loaning of cabins to family and friends. Not every visitor/guest is a renter. MCSHA CC&Rs 5.6.D. allows for the imposition of a \$500 penalty for "any Violation of a Provision of the Governing Documents." Where it is possible to prove a violation of Article 4.10 a \$500 fine can be levied. It is not clear if this is a one-time penalty, or if the \$500 penalty could be levied for each instance of violating the 14-day limit.

*President Black suggested that the MCSHA Board develop a position paper on this issue to be shared with property owners at the annual meeting this summer. Cabin owners need to have an open discussion of the rationale for Article 4.10 and the difficulty in its enforcement in order to determine a reasonable way forward to resolve this issue.*

The Board estimates that there are 5-6 full-time residents occupying Mill Creek cabins. This is in violation of the Forest Service Handbook, which states, in part:

41.23f - General Recreation Residence Use

1. Residency. Do not allow holders to use their recreation residence as their principal residence. The recreation residence should be utilized at least 15 days per year by the permit holder, to ensure that the use granted by the permit is exercised.

MCSHA CC&Rs indicate that:

4.1 FOREST SERVICE HANDBOOK. The Association may, from time to time, use the standards that are contained in the pages of the "FOREST SERVICE HANDBOOK VALLEJO, CA FSH 2709.11 – HANDBOOK R5 18 Supplement No. 2709.11-2000-1 Effective September 7, 2000" as a guide.

The Association may also promote and seek the compliance by the Owners and Tenants with these standards.

The issue of full-time residence of Mill Creek cabin owners is an important issue as it impacts our limited water resource, accelerates the need for road maintenance and has other impacts on community infrastructure. *This is another item for discussion at the annual meeting this summer.*

f. Update on hazardous tree removal. See item 6.a. above.

g. ARC Report Architectural Review Committee Chair Craig Faniani reported on several issues with the ARC at the September MCSHA Board meeting that impede the efficient and effective operation of the Committee. This leads to inconsistent enforcement of relevant CC&Rs associated with cabin architecture and appearance. After brief discussion, the Board agreed to work more closely with the ARC and improve enforcement of the CC&Rs related to ARC responsibilities.

h. Update on "How to Manage Our Forests" Project. Secretary Loker initiated contact with the Tehama County Resource Conservation District that manages local Fire Safe Councils in the County. Initial contact with Tom McCubbins provided several interesting suggestions for working more closely with the County and the formation of a Fire Safe Council in Mill Creek. Formation of a Fire Safe Council is the first step in obtaining professional advice and access to grant funds to manage local forests and mitigate the threat of a catastrophic wildfire. Loker shared this information with President Black who invited Jon Barrett of the Tehama RCD and who manages Fire Safe Councils in Tehama County to attend the MCSHA Board meeting. *Mr. Barrett was not available and will be invited to the Spring 19 MCSHA Board meeting.*

i. Common Lands Deed Transfer. There is a need to survey cabin owners regarding the prospect of transferring ownership of some portion of common lands to property owners. A survey was designed but never distributed to property owners. *Loker will follow-up.*

j. Fire Report Update. Jaydene Chesini reported back to the Board regarding the process of property inspection for compliance with debris clean-up aimed at reducing fire hazard in the community. Jaydene will again lead an inspection of property for clean-up compliance before the annual meeting. At the last annual meeting the question arose of the consequences for non-compliance: what can we do if property owners fail to clean-up their lots? In the case of non-compliance, the address of the offending lot will be reported to Tehama County for enforcement of the county ordinance regarding lot maintenance. Tehama County Fire will inspect the lot and issue a 30-day notice to clean-up the lot. The lot will be re-inspected in 30 days. If still not in compliance, the owner will again be given a 30-day notice to comply. At the end of the second 30 day period if still not compliant the County will order clean-up at the owner's expense.

It is important that MCSHA provide clear indication to cabin owners regarding their compliance with both a reflective address sign (to facilitate access by emergency vehicles) and the result of the inspection of their lot for clean-up of debris and fire safety. *This communication will be reviewed by the MCSHA Board at the Spring meeting to be sure it is clear and meets our needs.*

7. **New Business**. President Black indicated that the Mineral Transfer Station (waste disposal site) will close as of 1/1/19.

8. **Adjournment**. The meeting was adjourned at 12:56 pm.