Greetings Neighbors.

As we have done over the past few years, it's time for our annual newsletter on the happenings in, and around the neighborhood.

Since we have new member neighbors, please bear with us as we cover a little background. The Harmon Property Owners Association was formed in 1977 when the lower half of the neighborhood was developed by Gil Harmon. The upper half was added in 1984. We now have an 84-slip marina and 300 feet of lake frontage, two water wells, 55,000 gallons of water storage, with several miles of water distribution. There are about two-miles of paved roadways. Your seven-member, board of directors oversee the paved roadways, water system, dock/beach issues, and finances. All Board positions are up for election every year. Dues and fees are billed every spring and the annual meeting is usually held on, or around, Memorial Day weekend.

Speaking of new neighbors, we do have a few since our last winter newsletter. Please welcome Jon & Cindy McDaniel, Mathew Polson, Phil Sanangelo & Jessica Griffin, and Dave & Teka Zamora.

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Finances

We are pleased that our association finances are stable. While we certainly have financial challenges ahead in dealing with the costs of maintaining our infrastructure, your association finances are solvent. Unlike cities or counties, we don't have any access to large tax bases or grant programs, so 100% of all operating revenues come from the owner/members of our 88 lots. Rest assured that your Board of Directors is well aware of this, (they are owners, too), and keep your best interests in mind at all times.

With that in mind, please note that our total annual dues, fees, and assessments are on the low end, compared to other similar developments that front the Coeur d'Alene lake shores. The value of our marina, waterfront lots, water system, and paved roadways is several million dollars

But the big thank you goes to each and every one of you. We are pleased to announce that, once again, you have stepped up and paid 100% of all dues, fees, and assessments again this year.

Roadways

Our neighborhood lots are mostly accessed by a two-mile network of private roads. The once gravel and dusty roads were surfaced with a layer of asphalt in 2011. Six of the 88 lots in the neighborhood are only accessed via Conkling Road on the county system. Although their lots front the paved roadways, a number of lot owners use alternate access from driveway easements that are not part of the HPOA-maintained system.

With the pavement now well into it's second decade, it's beginning to show some wear and tear. Small cracks are developing and heavy loads are breaking off small asphalt segments at the edges. The entire surface was sealed with a light asphalt oil application a couple of years ago to help slow the cracking process, but a more aggressive treatment, known as a "chip seal" is needed. Like all petroleum-based-materials, this will require a hefty investment in the near future.

Our roads are open all year and winter snow removal is done by a contractor, (Idaho Earthworks), who is called out when we get a substantial snowfall. We usually wait until a few inches has accumulated "and" the storm has passed, before the contractor is called. As our neighborhood is very rural, please ensure that your vehicle and tires are appropriate for driving on snow and ice-covered roads. As we type this, the contractor is out plowing about 4 inches of wet snow from the roads. Just like in the city, he does not clear berms in front of driveways, nor does he clear the easement roads that are alternate access to some of the lots. If you'd like this extra work done, you'll need to make arrangements with them.

A lot of our road maintenance is done by board members and neighbor volunteers. These volunteers spray weeds in the pavement and along the ditches, attempt to seal the largest cracks, and use a large blower to remove excess pine and fir needles. You can help by noting any issues and volunteering to lend a hand.

Please remember, although our roads are paved, they are narrow. We have folks walking along the roads, children playing in the street, and numerous blind corners. Our posted speed limit is 20 mph, but slower speeds are encouraged, especially during the warm weather months. Operating motorcycles and/or four-wheelers and high speeds through the neighborhood can result in serious injury or death to your neighbors and/or drivers. It's just not a neighborly thing to do. Common courtesy is always best.

Beach and Docks

We are very fortunate that our neighborhood owner's association owns 300 feet of lake frontage and the 84-slip marina, and that each lot owner is assigned one 10 x 20-foot boat slip per lot. Boat slips on Coeur d'Alene Lake can be hard to find and are getting expensive to rent and/or purchase.

Last September, we had six rotted wood pilings replaced with steel pilings. We also had a new ramp installed on "C" Dock. These should last us well in to the future and will be incorporated into any new dock facilities that may be built.

Some gentle reminders: Please use common courtesy on the beach and docks. Keep your dogs on a leash and clean up their messes. The end fingers and ladders are deep-water swimming access for everyone, so try not to "hog" those areas and let everyone enjoy the water. If you have a cover over your slip, please keep it in good repair and remove it for the winter months. The covers can hold heavy snow and/or dump their snow load on to the fingers, both adding more weight. Our dock flotation is getting old and cannot hold as much weight as they used to.

The electrical system has a number of challenges. The wiring design is outdated and subject to damage during the winter. The system does not have the capacity to provide 24/7, uninterrupted power to all 84 slips. It was installed in the late 1970's as a convenience for intermittent, temporary use, such as safety lighting, occasional starter battery-charging, and power tool use. There are only a couple dozen outlets to be shared by the 84 slips. Again, common courtesy among all of us is paramount. Please don't expect to be able to power battery chargers, refrigerators, heaters, bilge pumps, etc. on a full-time basis. The electrical system is a shared resource. It is hoped that when we do a full re-build of the marina, it will have a full electrical system, built to the latest electrical code. Please be patient, until then, we will have to make do with what we have. Of course, safety is paramount. Make sure you use quality power cords, make sure they are not a trip hazard, and remove them when not is use. Also, no alterations to the

marina electrical system or dock structure is allowed without specific written approval of the HPOA Board.

Again, we need to remind folks that our beach and docks are not open to the public. Any and all guests, friends, relatives, long and short-term renters, etc., "must" be accompanied by the lot owner or immediate family (adult child, parent). We know this is harsh, but HPOA is not insured as a public and/or commercial marina. Please do not give out the gate code to friends, etc.

Water System

As mentioned earlier, we are fortunate to have an excellent water system. Our wells and storage tanks are in good condition, and our water rights are secure. The distribution lines are showing their age, having been installed in the late 70's and early 80's, as evidenced by a major failure near one of the main line valves on upper Sargent Loop last year. That one event cost almost \$6,500 to fix. We can't anticipate these failures, other than make sure we have enough cash in our reserves to cover them. With repairs and a contract water operator affecting our water system costs, your Board is looking at a possible water fee increase to augment that account.

We have also been very lucky to have our system under the careful watch of our volunteer members/neighbors Jeff Kreitzberg and Lonnie Allemand. As Idaho-Licensed Water System Operators, they have been keeping our water safe and clean for at least the last 15 years. But, as we noted during our last annual meeting, it's time to give those two a rest. We have contracted with Paul Sifford, a Licensed Water Operator, who lives in Worley, to take over the day-to-day oversight and required state water testing. Paul is well-respected in the industry and teaches much of the required continued education courses for water operators. He has been working side-to-side with Jeff to learn the details of our system operations in providing a seamless transition into the future.

Communication

With dozens of lot owners and families spread around Idaho, Washington, and the west, it's sometimes hard to keep in touch. As you may have noticed, your association primarily connects with members through email and FaceBook. Unless specifically requested otherwise, all of our official communication and billing is sent to you via email. This is quicker and more economical than sending notices and billing through the US Mail.

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Some final thoughts

Whether you live in this neighborhood year-round or just enjoy it during weekends, holidays, vacations, and spare time—this is truly a special place. We have access to the best part of the lake, a place to park our boats and other water toys, and great neighbors…enjoy!

Lastly, we note the passing of our neighborhood developer, Ernest "Gil" Harmon, on January 3rd. Gil built this neighborhood from the ground up. He platted the lots, graded out the roads, laid the water pipes, and set up the waterfront and docks. He will be missed.

Your HPOA volunteer Board of Directors

Al Gilson, President
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